The China Weekly

REVIEW

密勒氏評論報

A Weekly Newspaper Established in 1917

Eastern Inner-Mongolia Becomes the Latest Puppet---Coming Struggle Over Outer-Mongolia

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SATURDAY, JANUARY 4, 1936 VOLUME 75, NUMBER 5

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75-169

CHINESE RAILWAYS

SHANGHAI-PEIPING THROUGH EXPRESS.
(Connected with N.S.L. Nos. 301 & 302)

TIME ARR.	TIME DEPT.	STATIONS	TIME ARR.	TIME DEPT.
20.45	21.15	PUKOW	1.20	1.40
16.54	16.57	LINHUAIKWAN	5.44	5.47
16.04	16.19	PENGPU	6.23	6.38
13.55	14.00	NANHSUCHOW	8.42	8.47
11.41	12.11	HSUCHOWFU	10.35	11.05
9.58	10.10	LINCHENG	12.50	13.05
9.10	9.13	TENGHSIEN	13.57	14.00
7.35	7.50	YENCHOWFU	15.27	15.47
7.12	7.14	CHUFOU	16.12	16.14
5.33	5.43	TAIANFU	18.00	18.15
3.03	3.33	TSINANFU	20.15	20.45
1.41	1.49	YUCHENGHSIEN	22.05	22.15
0.08	0.20	TECHOW	23.55	0.25
22.28	22.36	POTOUCHEN	2.12	2.22
21.29	21.39	TSANCHOW	3.16	3.29
18.30	18.40	TIENTSIN (C)	6.40	6.55
17.59	18.20	TIENTSIN (E)	7.05	7.30
—	15.05	PEIPING	10.24	—

PEIPING-HANKOW RAILWAY.

14.05	PEIPING	22.00
13.27	CHANGSINTIEN	22.48
9.54	PAOTUNG	2.23
5.50	SHIHCHIACHWANG	6.28
2.19	SHUNTEH	10.01
19.27	SINSIANG	16.45
16.48	CHENGCHOW	19.26
13.59	HSUCHOW	22.08
12.16	YENCHENG	23.51
9.58	CHUMATIEN	2.34
6.10	SINYANG	6.01
3.36	KWANGSHUI	8.36
22.45	KIANG AN	13.15
22.30	HANKOW (Tachimen)	13.25

PEIPING-SUIYUAN RAILWAY.

TIME ARR.	TIME DEPT.	STATIONS	TIME ARR.	TIME DEPT.
9.36	—	HSICHIMEN	—	16.48
8.06	8.16	NANKOW	18.07	18.17
—	—	CHINGLUNG-CHIAO	—	—
1.52	2.07	KALGAN	0.30	0.45
19.34	19.49	TATUNG	7.01	7.21
15.48	16.03	PINGTICHUEN	11.04	11.19
10.56	11.16	SUIYUAN	15.42	16.02
—	7.00	PAOTAO	19.58	—

LUNGHAI RAILWAY.

5.15	—	HSUCHOWFU	—	21.10
0.57	1.17	SHANKIUHSIEN	1.16	1.56
20.47	21.07	KAIFENG	6.20	7.00
18.40	19.00	CHENGCHOW	8.49	9.09
14.45	15.10	LOYANG E.	12.53	13.23
9.30	9.55	SHANCHOW	18.30	18.55
—	6.10	TUNGKWAN	22.15	—

KIAOTSI RAILWAY.

7.35	—	TSINGTAO	—	21.00
5.48	5.50	KIAOCHOW	22.46	22.48
5.06	5.16	KAOMI	23.19	23.30
3.26	3.41	FENGTZU	1.01	1.16
3.03	3.05	WEIHSIEN	1.36	1.39
1.36	1.38	TSINGCHOW	2.55	2.57
28.59	0.01	CHOUTSUN	4.32	4.35
—	22.00	TSINANFU	6.30	—

CHENGTAI RAILWAY.

19.42	—	SHIHCHIACHWANG	—	7.58
18.14	18.16	TSINGCHINGHSIEN	9.27	9.29
16.00	16.15	YANGCHUAN	11.47	12.01
14.48	14.50	SHOUYANGHSIEN	13.50	13.52
12.40	12.49	YUCHIHSIEN	15.25	15.35
—	12.08	TAIYUANFU	16.07	—

SHANGHAI-HANGCHOW-NINGPO RAILWAY.

STATIONS UP.		Zku-Nkg Express R. Through	Express R.	STATIONS DOWN.		Express R.	Nkg-Zku Through Express R.
ZAHKOU	d.	8.30	17.25	SHANGHAI, N.	d.	8.35	15.00
HANGCHOW	d.	8.47	17.42	JESSFIELD	d.	8.51	15.16
CHANGAN	d.	9.40	18.43	SICCAWEI	d.	—	—
YEHZAH	d.	10.11	19.14	SHANGHAI, S.	d.	8.40	—
KASHING	d.	10.42	19.45	SUNGKIANG	d.	9.36	15.56
KASHAI	d.	—	20.13	KASHAI	d.	10.23	—
SUNGKIANG	d.	11.45	20.52	KASHING	d.	10.44	16.58
SHANGHAI, S.	a.	—	21.55	YEHZAH	d.	11.18	17.32
SICCAWEI	d.	—	—	CHANGAN	d.	11.46	18.00
JESSFIELD	d.	12.32	21.47	HANGCHOW	d.	12.36	18.50
SHANGHAI, N.	a.	12.45	22.00	ZAHKOU	a.	13.05	19.15

NANKING-SHANGHAI LINE.

STATIONS UP		Express R.	Thro. Exp. Zku-Nkg R.	S'hai-Peiping Thro. Exp. (No. 302) R.S.	Night Express R. S.	STATIONS DOWN		Thro. Exp. R. Nkg-Zku	Express R.	Night Express R. S.	Peiping-S'hai Thro. Exp. (No. 301) R.S.
SHANGHAI, N.	d.	8.00	13.20	16.00	23.00	NANKING	d.	8.20	17.05	23.00	24.00
SOOCHOW	d.	9.27	14.47	17.51	0.57	CHINKIANG	d.	9.36	18.20	0.49	1.40
WUSIH	d.	10.17	15.36	18.46	1.57	TANYANG	d.	10.18	18.59	1.45	2.33
CHANGCHOW	d.	11.01	16.21	19.39	2.53	CHANGCHOW	d.	11.03	19.44	2.50	3.32
TANYANG	d.	11.51	17.11	20.33	4.13	WUSIH	d.	11.49	20.30	3.52	4.32
CHINKIANG	d.	12.30	17.45	21.18	5.00	SOOCHOW	d.	12.36	21.17	4.55	5.34
NANKING	a.	13.50	19.15	22.50	7.00	SHANGHAI, N.	a.	14.15	22.50	7.00	7.40

NOTICE

1. Children under four years of age are carried free, children under twelve but above four years of age at half fares and children of twelve years of age and over must pay full fares.
2. For Local and Through Traffic, the following free baggage allowances will be granted to each passenger:—

   1st class passenger .. .. 80 kilogrammes (142 catties)
   2nd class passenger .. .. 60 Kilogrammes (100.5 catties)
   3rd class passenger .. .. 40 Kilogrammes (67 catties)

   Half of these quantities will be allowed on each child's half ticket of each class respectively.
3. Any weight of baggage in excess of the free allowance will be charged at the rate for the minimum quantity of 20 kilogrammes (33.5 catties) of $0.002 per kilometre per unit of 20 kilogrammes.
4. In case of any holder of Local or Through ticket who abandons his journey en route and desires a refund on the unused portion of his ticket he must apply in person, and produce his ticket for endorsement to the Station Master where the journey is abandoned. Application for refunds must be made as soon as possible after endorsement and must in any case be made within TEN DAYS of the date of expiry of the availability of the ticket which has been endorsed.

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China and the European Situation, an exposition of the new situation which has developed as a result of the Italo-British-Ethyopian Crisis, written by a well-known authority, Dr. Thomas F. Millard who recently returned from an extended trip to Europe and U. S. A., Price 15c

Why the United States Maintains its Full Naval Strength in the Pacific, an explanation of the developments since 1931 which have made it necessary for America to keep its full naval strength in Pacific waters, Price 15c

All three pamphlets, reprinted from recent issues of *The Review*, will be mailed to readers for 50c. Send stamps if more convenient.

China Weekly Review

160 Avenue Edward VII,
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December 31, 1935
Stock Exchange — Business Done:-
Total Volume: 1,630,000 Shares

1934-35 High	1934-35 Low	Div. $ per sh.	STOCKS	Last Sale Dec. 28	Last Sale Dec. 30
11½	4	—	Adams Express	10⅞	10¾
149	110	4.00	American Can	132⅜	136¼
29⅞	20¼	0.40	Amer. Cyanamid "B"	29½	29¾
9¼	2	—	American & For. Power	6¾	7⅛
42	14	—	American & Foreign Pwr. $7 pfd.	28¼	29⅝
23½	10½	—	American Radiator & S.S.	25	25½
159¾	98⅞	9.00	American Tel. & Tel.	153¾	155
107	74¾	5.00	American Tobacco "B"	97⅞	100
22	7⅛	—	American Waterworks	21⅝	22¼
30	8	—	Anaconda Copper	28½	29
68¾	35¾	2.00	Atchison, T. & S. Fe	57¼	58½
44½	15	—	Auburn	42½	43½
18	7½	—	Baltimore & Ohio	15¾	16⅜
51¼	21⅝	—	Bethlehem Steel	49¾	50⅜
19½	6¼	—	Boeing Airplane Co.,	18¾	19⅛
18⅝	8⅝	—	Canadian Pacific Railway	10¾	11
110½	45¾	—	Case, J. I.	93	94¾
60	36½	1.00	Caterpillar Tr.	55¾	57
42½	20¼	1.40	Chase National Bank	41	42¼
60⅞	36	3.00	Chesapeake Corp.	56¾	58¼
53¼	37½	2.80	Chesapeake & Ohio	50	50¼
93½	31	1.00	Chrysler	91	92⅝
15⅝	3⅝	0.20	Columbia Gas & Electric	13½	13¾
23⅞	16½	0.60	Coml. Solvents	20¾	21
3½	0⅝	—	Commonwealth & Southern (ord.)	2⅜	2⅝
34¼	15⅞	1.00	Consolidated Gas of N. Y.	30½	31⅝
11¼	6½	0.25	Consolidated Oil	11½	11⅝
34⅝	15⅛	62½	Continental Oil	33	34¾
78⅝	60	3.00	Corn Products	68⅜	69
53	17½	0.75	Douglas Aircraft	51¼	52½
145¼	86⅝	3.60	Du Pont de Nemours	338	137¾
20⅜	3¼	—	Electric Bond & Share	15⅝	16
40¾	20½	0.80	General Electric	37⅛	37⅝
37½	30	1.80	General Foods	33⅜	33⅜
58⅞	26⅝	2.00	General Motors	55⅝	56⅛
41	15⅝	1.00	General Railway Signal	39¼	40
21½	14⅜	1.20	Gold Dust	19	19⅛
26⅞	15¾	—	Goodyear Tire & Rubber	22⅝	23⅝
64	44	1.00	Humble Oil	59¼	61⅝
47	22¼	1.00	International Nickel	44⅜	45¾
14	5⅝	—	International Tel. & Tel.	12¾	13
98½	38½	2.00	Johns Manville	92⅜	94½
30¼	13¾	0.80	Kennecott	27¾	28¾
54½	31¼	2.00	Loew's Inc.	50½	51¼
26½	18½	1.20	Lorillard	23⅞	24
94½	55	1.00	Monsanto Chemical	87¼	88½
40¼	21¾	—	Montgomery Ward	38	38⅝
39⅝	18½	1.00	National City Bank	36⅝	38⅜
21½	12¾	1.20	National Dairy Prods.	21½	21⅝
34	21½	2.00	National Distillers	30⅝	30½
14⅝	4⅜	0.60	National Power & Lt.	9⅞	10¼
29⅜	12¼	—	New York Central	26½	27⅜
27⅝	9	1.00	North American	26¼	27¼
31	13½	1.50	Pacific Gas & Electric	30⅝	30⅝
55⅞	19	2.40	Pacific Lighting	51	51½
7⅝	3½	—	Packard Motors	6⅝	6⅞
84¾	57¼	2.00	Penney, J.C.	77⅝	78
32⅜	17¼	0.50	Pennsylvania Railroad	30⅛	30⅞
38⅜	13¾	1.00	Phillips Petroleum	38¼	39½
46¼	20¾	2.40	Public Serv. of N.J.	45¼	46⅛
13	4	—	Radio Corporation	12	12⅛
58¼	43⅛	3.00	Reynolds Tobacco "B"	54	55¼
55⅞	22	—	Schenley	50⅝	50¾
68⅛	31	2.00	Sears Roebuck	63¾	64¾
15⅝	10⅝	0.30	Socony-Vacuum	13⅝	14
27	10⅝	1.50	Southern California Edison	24¼	24⅝
25⅝	12¾	—	Southern Pacific	23¾	23⅝
19⅛	12½	0.80	Standard Brands	15¼	15¼
9¼	1½	—	Standard Gas & Electric	5¾	6
50½	35⅝	1.00	Standard Oil Co. of N. J.	48¾	50⅝
67⅞	58¾	3.80	Sterling Products	65	65
36¾	27⅜	2.00	Texas Gulf Sulphur	32⅞	32⅞
13⅜	4⅞	0.30	Transamerica	13	13⅜
74⅞	44	1.60	Union Carbide & Carbon	70¼	71⅞
111⅛	82¼	6.00	Union Pacific	107¼	108
29	9⅞	—	United Aircraft (New)	27¾	28⅝
13	4½	—	United Airline Trans.	13	13
7⅞	1⅛	—	United Corporation	6¾	7
18¼	9¼	1.80	United Gas Improvement	17½	17¾
72½	51	2.00	Universal Leaf	65⅞	66¼
49½	35½	2.00	U.S. Indus. Alcohol	42¼	42½
17¼	9⅛	—	U. S. Rubber	15⅝	16¼
50½	27½	—	U. S. Steel	46	47¼
21⅝	11¼	—	Vanadium	19½	19⅝
19¼	2¼	—	Warner Bros. Pictures	9⅝	9½
98¼	32⅝	0.50	Westinghouse Electric	94½	96⅛

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中華郵政特准掛號認爲新聞紙類

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密勒氏評論報

The China Weekly REVIEW

Formerly Millard's Review

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THE CHINA WEEKLY REVIEW

Formerly Millard's Review

Cable Address "REVIEWING SHANGHAI"

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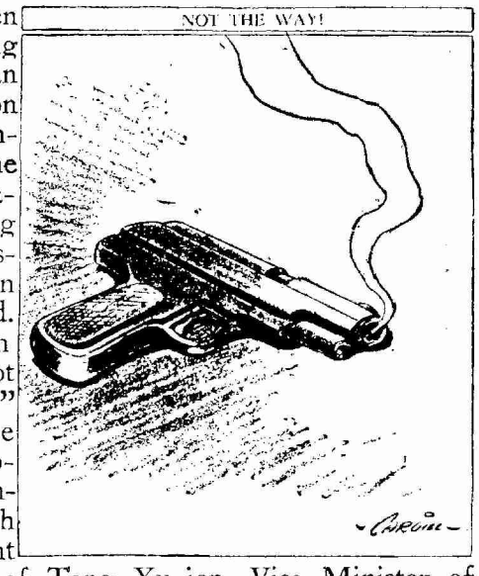
COMMUNICATIONS PERTAINING TO SUBSCRIPTIONS OR ADVERTISING IN CHINA OR ABROAD SHOULD BE ADDRESSED TO THE CHINA WEEKLY REVIEW AT 160 AVENUE EDWARD VII, SHANGHAI, CHINA. TELEPHONE 14741. CABLE ADDRESS "REVIEWING SHANGHAI."

NOT THE WAY!

THE jibe of an able but unscrupulous statesman of a century ago that "Russia is an autocracy tempered by assassination" might to a large extent also be applied to two great Republics. The average American is prone to forget that in the comparatively short space of seven decades three Presidents of the United States were assassinated while in office and one ex-President was shot in the breast (and survived) while making a political speech. The present President escaped the bullet which was intended for him, but it put an end to the career of the mayor of the second largest city in the country. The shooting down of Huey Long, senator from Louisiana and a series of gang murders in New York are matters of recent history. When Huey Long was shot an apt cartoon was published in the American papers showing a smoking pistol lying on the ground. The caption read, "Not the Way!" That same cartoon is applicable in connection with the recent assassination of Tang Yu-jen, Vice Minister of Communications, who was killed by assassins on Christmas Day. There has not so far been a single clue as to the identity of the assassins. The Shanghai Bureau of Public Safety has offered a reward of ten thousand dollars for the arrest of the culprits, but so far without result. The deceased was educated in Japan and was known to have been very friendly to the Japanese. Whether or not the assassination had any political connection can, in the absence of the identity of the assassins, only be conjectured, but the Japanese press and army authorities have taken it to be



such. Among the numerous indications of how the Japanese view the incident we may cite that Major General Isogai, Japanese military attache, stated that "serious effects" will be felt in the conduct of future Sino-Japanese relations because of the death of Mr. Tang. "Regardless of whether Mr. Tang's death was caused by Chinese internal conditions or was motivated by external factors, his demise is to be sincerely regretted by Japan," Major-Gen. Isogai said. Gen. Isogai mentioned that Mr. Tang had spent three years in the Foreign Office at a time when Sino-Japanese relations were on the road to normalization and this made the Japanese suspect that the cause of his death lay in the manner in which he led Chinese diplomacy vis-a-vis Japan. Japanese press comments in the same vein are printed elsewhere in this issue.

It is a deplorable fact that not only in China but in many other countries assassination has come to be one of the methods used to influence the course of government. It would be too much to say that assassinations do not have any effect whatever. But the little they accomplish is outweighed a thousand times by the harm that they do not only individually but because of the stigma they cast on the country as a whole. The commandment, "Thou shalt not kill," is still far from being observed in any country, and it would be an interesting speculation, far beyond the realm of a newspaper comment, to enquire as to the extent which the spirit of violence and aggression which is abroad in the world today, as exemplified by armed groups, has its reflex in creating a spirit among individuals also to resort to violence to attain their objectives.

ARNHOLD BROTHERS START OWN COMPANY FOR EXPORT BUSINESS

THE announcement was made over the year end that the two Arnhold brothers (H. E. & C. H.) had started a separate company at the beginning of the New Year to take over the China Produce export business from Arnhold & Co., Ltd. The new organization is known as the Arnhold Trading Co., Ltd. It was announced that all other business of Arnhold & Co., Ltd. will be continued as hitherto. Both companies are organized under British law.

Any news concerning the business operations of the two Arnhold Brothers is always of great interest to the public, among the reasons being that H. E. Arnhold is prominent in political life as the Chairman of the Shanghai Municipal Council, which is the executive arm of the oldest of the three "Shanghais," that is the "Foreign" (or as it is popularly known, the International) Settlement. Another reason is that the Arnhold organization is strongly bound up with the financial interests of Sir Victor Sassoon and his relatives—stated to be the most wealthy family in Shanghai. One of their holdings is the Sassoon House, the stately pile standing at the corner of The Bund and Nanking Road, in which the Cathay Hotel is located. The parent Arnhold company are the general managers for the China General Omnibus Co., Ltd., which is the official name of the bus company which operates on the streets of the Foreign Settlement. This company has not paid any dividends for a number of years, and the service is such as to bring constant complaints from the public. Another company which Arnhold & Co., Ltd., manage is the New Engineering & Shipbuildings Works, which recently came into the limelight through the plan sponsored by H. E. Arnhold for inducing the preference shareholders to give up their rights, and which was defeated at a recent extraordinary meeting of the shareholders of that class. Other companies for which Arnhold & Co., Ltd., are general managers are: The Soy Lun Silk Filature, the China Import and Export Lumber Co., the Cathay Land Co., Cathay Hotels, and Cathay Mansions. As a matter of historical interest it may be mentioned that Arnhold & Co., Ltd. as a British organization dates from the World War period. Up until that time the business which formed the nucleus of the present British organization was the property of a German partnership firm, known as Arnhold, Karberg & Co., in which the two Arnhold brothers were partners. The change within the organization of the Arnhold interests just announced is generally understood to indicate a lessening of the financial relationship between the Sassoons and the Arnholds. The announcement of the formation of the Arnhold Trading Co. was signed by C. J. Meager, as a director. Mr. Meager is one of the managers of the E. D. Sassoon Banking Co., Ltd., of which Sir Victor Sassoon is the principal financier. The activities of this Sassoon Bank are mostly devoted to financing the various Arnhold-Sassoon institutions. As an example it may be mentioned that the Shanghai bus company (above referred to) owes considerably more than a million dollars to the Sassoon Bank, and the paying of the interest on this overdraft swallows up the greater part of the bus company's net earnings.

SHANGHAILANDERS FLOCK TO CABARETS TO CELEBRATE NEW YEAR

SHANGHAI'S cabarets have a world-wide reputation. These institutions come into the limelight particularly over the New Year season, as it is on New Year's eve that the cabarets are better patronized than on any other night of the year. Some of them probably did more business during this one night than they did during some whole months during the summer period. This year the cabarets were exceptionally well patronized, but that is no indication that general business is good. For many of the patrons it was a case of trying to get a little surcease from the worries of an exceedingly trying business year. It is a cash business, unlike the greater part of business done in this international port. One cabaret manager when taunted by a newspaperman with the jibe that it is strange that the Shanghai public is willing to pay cash for a lot of nonsense, whereas it is extremely difficult to get them to

pay accounts for "legitimate" business, explained the situation as follows: "You do our business an injustice. Take my establishment for example. The receipts for the night were something over three thousand dollars. Out of that more than five hundred people paid an admission fee of two dollars. Early in the morning we allowed others to come in free. There was a total of about eight hundred. So you see the average amount spent was a little over four dollars. Isn't that really a an insignificant amount? Many didn't spend that much. There weren't more than fifty people who spent more than ten dollars in my establishment."

Tokyo and Moscow Clash in China's North

NIPPONESE empire-builders' schemes have always placed Siberia in the shadow of the Rising Sun. In the years of intervention, 1920-21, Japanese troops have been in actual control of the Russian Maritime Provinces and Siberia as far west as Lake Baikal. American diplomats and Soviet bayonets united in thwarting Japan's ambitions. Since then neither of the two curried especial favor with Tokyo.

In subsequent years, Soviet-Japanese relations have often been strained, especially in winter months, when the War Office needed popular hysteria to push its ever-growing appropriations through the Diet. With the addition of Manchuria to the Japanese Empire, Nippon and the Soviets once again came into physical contact, arousing fears of an imminent clash. The situation was especially tense in the spring of 1934, but with the sale of the Soviet share in the Chinese Eastern Railway to Manchukuo for a fraction of its actual value, a lull has returned to the Soviet-Japanese front.

The General Staffs of the two powers, however, continued preparations for the expected struggle with undiminished vigor. The Soviets coated the Siberian pill with powerful fortifications, put behind them an army of between 200,000 and 300,000 men, an air armada of 500 bombers and hundreds of tanks. At the head of the army they appointed Gen. Bluecher, who won his spurs in the Soviet Far-Eastern campaigns of 1920-23, in China, where disguised as Gen. Galens he helped Borodin to spread communist doctrines, and in Manchuria, where in a whirl-wind campaign he routed the tested troops of the "Young Marshal" a few years ago.

Another Soviet maneuver, the significance of which is just being realized in Tokyo, was the epic 3,000-kilometer march of Chinese Red armies from their strongholds in Fukien and Kiangsi to China's northwest. The march may have been caused as much by fear of Gen. Chiang's bombers and German-trained troops as by Moscow's orders to concentrate in the northwest and Inner Mongolia, where Maj.-Gen. Doihara's agents have been creating a new buffer state.

Roving armies of men accustomed to guerilla warfare will, as both Moscow and Tokyo well know, present a serious threat to an army attacking Outer Mongolia and Siberia from North China or Jehol. In this lies the explanation of Foreign Minister Koki Hirota's insistence on Nanking's acceptance of his "three-point program," whose cardinal point is the "joint defense against the infiltration of communists into North China." Mr. Hirota, and through him the Tokyo General Staff, are obviously seeking to create a safe military base in the rear of armies which may some day be thrown against the Soviet Bear.

Japan's preparations for the eventual campagn have been no less impressive than Moscow's. First came the transformation of Manchukuo into a gigantic arsenal, a colossal spring-board from which Nippon's empire-builders plan again to jump into the pages of history. Thousands of miles of railroads, stretching to every point on the Soviet border, from Vladivostok to Manchouli, have been constructed in record time. All other means of transportation and communication were brought to war-time efficiency. Kwantung Army officers were placed in key positions in every major industrial enterprise. Japanese ex-servicemen were settled in large numbers in proximity to the Soviet borders, in the manner of Tzarist Cossacks.

Tens of thousands of "White" Russians in Manchuria were at the same time forced to join a military organization, headed by the renowned Ataman Semenov, who allegedly distinguished himself in the Russian civil war by committing almost unbelievable atrocities. His lieutenants were placed at the head of Bureaux of Russian Affairs, created in every major city by the Kwantung Army. Gen. Tyrbach, who was assassinated a month or two ago in the Three Rivers district, was an example of a satrap appointed by Ataman Semenov to direct anti-Soviet activities with Japanese blessings.

The next step came this year, with the formation of an autonomous regime in North China. The process of severing the northern provinces from China has not yet been completed, but the north is as securely in Japanese hands as the new-fangled state in Manchuria. Yin Ju-keng's little empire in the demilitarized zone, with its Japanese advisers and planes, may yet become the nucleus of another Manchukuo, unless Mr. Yin allows himself to be persuaded by the glib-tongued Maj.-Gen. Doihara to merge his domain with Emperor Kangte's possessions.

The third step, almost simultaneous with the second, was the bitter controversy between Manchukuo and Outer Mongolia. The conflict began almost exactly a year ago, when Tokyo parliamentarians were grumbling against excessive military appropriations. When the representatives of the two puppet states met at Manchouli

last summer to discuss the settlement of the Lake Buyer-nor clashes, new incidents occurred enabling the Kwantung Army to demand that it be allowed to send its officers to the closely-guarded Ulan Bator.

Soviet Russia spurned the demands, recalling the Mongolian delegates and other Government officials to Moscow to discuss measures of preparation for the inevitable attacks. These, thanks perhaps to the "budgetary weather," came as scheduled last month. One need not be a seer to predict that the clashes will continue in the months to come, possibly leading to a serious crisis.

The last development in the Japanese program was the march of Manchukuo's Monogolian troops across the southern portion of Chahar, towards western Suiyuan, which began in the middle of December and is still in progress.

Simultaneously, Hsinking demanded that six eastern hsiens in Chahar be ceded to Manchukuo. The cession and the march cut across the caravan route from Peiping and Kalgan to Ulan Bator, and at the same time create a "vacuum state" in northern Inner Mongolia. Northern Chahar, although nominally remaining Chinese, will be separated from China by a thin strip of Manchukuo territory. It is again not difficult to predict that Chahar will be obliged to link its destinies with Manchukuo.

It is not clear yet whether the invaders, recruited largely from Manchukuo's Mongolian Hsingan Province, will stop at the border of Suiyuan or continue their march west. Suiyuan is headed by Gen. Fu Tso-yi, a subordinate of Gen. Yen Hsi-shan, both of whom are cordially disliked by the Kwantung Army.

The plan very obviously is to create a Mongolian-Japanese buffer state between North China and Outer Mongolia, with the co-operation of Inner Mongolian chieftains, headed by Teh Wang. Prince Teh has in the past few years exhibited great skill in "fence sitting," but time apparently has come to climb over on the Japanese side. He also has a score to settle with Gen. Fu Tso-yi over jurisdictional squabbles.

Japanese actions show that Outer Mongolia is the next object of Tokyo's attention. But Soviet Russia is aware of the fact that Nipponese in control of Ulan Bator would find it easy to pierce the Trans-Siberian Railway. Therefore, Moscow will undoubtedly strenuously oppose Japanese plans in this region. In this lies the danger of the situation.

Eastern Inner-Mongolia Becomes the Latest Puppet —Coming Struggle Over Outer-Mongolia

(SPECIAL EDITORIAL CORRESPONDENCE)

THE town of Changpei, only thirty miles northwest of Kalgan on the ancient Mongolian trail to Urga or Ulan-Bator, was taken over by a force of Mongolian cavalry on December 24. The writer, who was in Kalgan at the time, was informed that the Mongols who occupied Changpei were "friendly" toward Manchukuo, another way of stating that this important section of Inner-Mongolia had "gone over" to Manchukuo. But whether this section, comprising about two-thirds of Chahar Province, will be amalgamated with Manchukuo or will be maintained as a separate puppet administration remains to be seen.

As there are at least three so-called "autonomous" movements now in progress in North China and Mongolia, the average newspaper reader may be pardoned for not comprehending what is going on. First, there is the autonomy show being staged by Yin Ju-keng which comprises somewhat more than the area embraced within the so-called demilitarized zone. This includes some 22 hsiens or counties comprising about one-fourth of Hopei Province lying south of the Great Wall, an area of some 12,000 square miles. It might be described as the "Cardiff" of China due to its resemblance to that rich, coal-bearing section of Great Britain. It is commonly stated that 90 percent of the resources of Hopei lie within the area which the Japanese marked out as the "demilitarized zone" described in the Tangku Truce signed on May 31, 1933, following the fighting in the vicinity of the Great Wall. The official text of the Tangku Truce has never been published, but the disastrous effects of that document are now apparent. Within this area, now described as an "autonomous government," lie China's chief coal producing properties, the British-registered Kailan Mining Administration. Also within this area are China's chief salt fields and a considerable portion of the Peiping-Mukden Railway. The railway has practically been controlled by the Japanese South Manchuria line since the reestablishment of rail communication between North China and the puppet state of Manchukuo, following the signing of the Tangku Truce three years ago. Now the Japanese get the Kailan mines and other important mining properties upon which most of China's industries and a considerable portion of her people must depend for fuel. As for the salt fields, the Japanese have a tremendous need for salt, so China may as well say goodbye to that industry. Then there are the agricultural resources, particularly cotton. Recently Yin Ju-keng boasted that his "government" would have revenues amounting to $12,000,000 at the beginning, exclusive of the Customs funds which he had not yet seized at the time these paragraphs were written.

On December 26 Yin Ju-keng, who has his administrative headquarters in the town of Tungchow on the outskirts of Peiping, called up the Peiping newspapers and informed them that he had changed the name of his administration from "council" to "government," the full title being "East Hopei Anti-Communist Autonomous *Gov-*

ernment." Yin explained that instead of being "chairman" he would in future take the title of "Chief Administrator." The eight members of his administration will however continue to be known as "councillors," and according to the latest manifesto, they will have complete charge of all military and political affairs. Yin stated that the Diplomatic Body in Peiping had been notified to this effect, but that he did not expect "recognition." Owing to "geographical propinquity" the relations between his "government" and that of Manchukuo would become "closer." Negotiations would shortly be opened with the puppet state (No. 1, or Manchukuo) for the removal of restrictions on Chinese migration to Manchuria. He declared that the creation of his East Hopei Autonomous Government was not to be regarded as separation from the Republic of China, but merely separation from the *Kuomintang* Government at Nanking. The present national flag will be retained, at least for the present. Financially, he announced that the notes of the Central Bank would not be accepted, but made no mention of the fact that Manchukuo currency and Japanese Yen notes are already in circulation in the district. Also he made no mention of the fact that some 100 Japanese troops are quartered in his "capital" of Tungchow and that further battalions of Japanese troops occupy all of the Great Wall passes along his northern border.

A Japanese "adviser" named Inouye sat on the opposite side of Yin's desk as the foregoing declaration was made.

Since Yin Ju-keng's "government" was the creation of Major-General Kenji Doihara, head of the Special Service Department of the Kwangtung army, it is of value to record the fact that this Japanese "master of intrigue" and dispenser of bribes from the Kwantung army's secret fund, informed a foreign newspaper correspondent in Peiping on December 18 that Japan had no intention of dissolving the East Hopei Autonomous Anti-Communist "Government," and furthermore that he expected that it would ultimately absorb the Hopei-Chahar Political Council. Doihara also declared that the Yellow River was intended only as a brief halting place in the march of Japanese influence and ideas and that ultimately the whole country would adopt the Japanese program.

So much for Japan's puppet government, No. 2!

Puppet Government, No. 3, the Hopei-Chahar Political Council, still in process of formation, has been so fully described in the press that further comment is unnecessary here. Its first open defiance of Nanking was on Christmas Day when Gen. Sung Cheh-yuan, chairman, declared that "special circumstances" made it necessary for him to seize the head office and properties of the Peiping-Mukden Railway at Tientsin. At the same time it was announced that Chen Chuen-shen had been appointed Managing Director in place of Yin Tung, the Nanking appointee. Chen Chuen-shen, the new director, although of Cantonese blood, was born in Japan and is a Japanese subject. Recently he served as interpreter and chief counsellor of the Chinese Peiping-Tientsin garrison headquarters. He was recommended to the position of managing director of the railway by the Japanese military authorities and immediately following his appointment, Mr. Chen held a long conference with Gen. Hayao Tada of the Tientsin garrison. It is rumored that the Peiping-Mukden Railway will shortly be handed over to the Japanese government-controlled and operated South Manchuria railway for administration purposes. Under a recent contract, signed by Yin Tung, former managing director, all new locomotives and other equipment will be purchased from the S.M.R. shops in Dairen.

In his interview with the American newspaper correspondents on Dec. 18, the first he had granted in several weeks, Gen. Doihara denied that the Japanese army had demanded the secession of six hsiens or counties in Chahar Province to Manchukuo. He also denied any intention of creating a further "independent" state for the Mongols which would be embraced in the so-called Hsingan Province of Manchukuo which has its capital at Hailar on the western branch of the Chinese Eastern Railway. Piously he declared that Mongolia was a part of China and that Japan had no right to assist or countenance any Mongolian independence movement. He did say, however, that Mongolia was now threatened by the "reds," and since China was unable to grant protection or organize their defense, it thus became necessary for China, Japan and Manchukuo to "cooperate" in preserving the Mongols from aggression or interference. Thus is the way paved for the formation of Puppet government No. 4, which, according to the plans of the Japanese army, will ultimately embrace all of Inner-Mongolia. As the situation stands today all of the "Mongol" sections of Chahar have been occupied by a Japanese supported and officered "Manchukuoan" army consisting of Japanese, Chinese and Mongolians.

According to Chinese reports in Kalgan a small force of Chinese gendarmes or local militia consisting of about 150 men held out in Kuyuan from Dec. 9 to 12 and only capitulated after their commander, Capt. Fang Lung-chang, had been shot through both legs and a third of his force had been killed. It was claimed that Capt. Fang inflicted 500 casualties on the attacking force. That there was strong resistance at Kuyuan was evidenced by the fact that the Japanese had to use tanks and in addition air-bombed the town twice. The Chinese claimed that the high wind and a dust storm deflected some of the Japanese air-bombs and caused them to fall within the Japanese lines, which may have been responsible for some of the heavy casualties on the attacking side. But while the Chinese militia, poorly armed with rifles only, did put up a fight at Kuyuan, which is located about half-way between Kalgan and Dolonnor (on Chahar-Jehol border) there was little or no resistance as the Japanese force

marched directly across the province to the Suiyuan border, occupying a strip or "corridor" about 150 miles wide from north to south and about 250 miles from east to west. As a result of this Japanese controlled corridor, giving ready access to Inner-Mongolia and Outer-Mongolia as well, the large Mongolian area in northern Chahar is reported to have "gone-over" to Manchukuo. The so-called six hsiens or counties extending across Chahar which the Japanese occupied between December 9 and 24 are the richest of the province, the chief cities or country-seat towns being Kuyuan, Paochang, Kangpao, Huoteh, Shangtu and Changpei. Of these towns Changpei, due to its location on the Kalgan-Urga road was most important in that it dominated a broad district and was the center of important Sino-foreign trade. It served as distributing center for goods destined for Mongolian consumption and a collecting center for raw products, particularly wool, hides, skins and furs. Since this new Japanese conquest serves the double purpose of a "corridor" running into Inner-Mongolia and a "spear-head" pointing at Outer-Mongolia, it means that that the large section of northern Chahar belonging to the Selingor league and embracing some 12 tribes, will, in all probability, be compelled to join the Mongolian section of Manchukuo. It also was stated in Kalgan that the Japanese were sending ammunition by motor trucks to Prince Teh Wang's headquarters about 150 miles northward of Kalgan, but this could not be confirmed. That the Japanese have a large fleet of trucks manned by soldiers and reservists and bearing Japanese flags is most obvious on every Kalgan street. Also, it required no confirmation from Chinese sources that Kalgan has, in effect, become a Japanese city. All government offices have Japanese advisers and the station agent refused to accept Chinese banknotes in payment for a ticket, similar to the situation which prevails within the sphere of Yin Ju-keng's "government" inside the demilitarized zone. Needless to say, Japanese advisers in this part of the world have a character quite different from the American and European advisers or technical experts employed by the Nanking government. Shortly following the inauguration of Yin Ju-keng's "government" within the demilitarized zone, it was announced that he had concluded a deal with the Japanese army for the employment of a Japanese adviser in each of the 22 counties in his territory. These advisers, according to reports current in Peiping, have practically usurped the duties of magistrates in the hsiens, somewhat similar to the methods used in Manchuria where the Japanese "advisers" quickly usurped the powers of the Chinese officials leaving the Japanese in complete control.

The *Peiping Chronicle*, Chinese-owned paper, published a report from Kweihwa, capital of Suiyuan Province, on Dec. 27 to the effect that prince Teh Wang, leader of the Inner-Mongols had denied reports of his alleged declaration of independence from the Central Government. Further, it was stated that the representatives of Inner-Mongolian princes in Peiping had also issued denials of an "autonomy" movement within their ranks. As it was impossible to obtain confirmation of these rumors it was assumed that the Mongolian assurances were genuine; however, it appears to be more or less obvious that Prince Teh Wang will experience difficulty in maintaining his position in the face of other "autonomy" movements in North China. Japan's domination of Kalgan and the Peiping-Suiyuan railway, not to mention the "autonomous" situation in Peiping and Tientsin, makes it impossible for the Inner-Mongols to maintain any position that would be antagonistic to Japan.

This brings us to the inevitable question of Outer-Mingolia. Will the Soviet Government support the Outer-Mongols against a Japanese attack? Russian diplomatic officials insist that the Outer-Mongols will fight for their "independence" which dates back to the fall of the Manchu dynasty at Peiping in 1911 and was confirmed in agreements signed by Czarist Russia, China and Mongolia in 1915. But Outer-Mongolia, despite much development under Soviet tutelage in recent years, obviously would not be able to stand up against the Japanese military machine without Russian assistance. In practically all the clashes which have taken place along the borders between Outer-Mongolia and Manchukuo, the Outer-Mongols have withdrawn in order to avoid a situation which might lead to war. This was true of the clash at the outpost Bulundersun, located to the southwest of Lake Buyer-nor on Dec. 18 in which several Mongols were killed. In this case, a number of Japanese trucks loaded with mixed forces of Japanese, Manchukuo and White Russian soldiers invaded Mongolian territory and took over a Mongolian outpost. A message from Moscow on Dec. 24 stated that the Mongolian Government had sent a note to Hsinking stating that "grave consequences" would result from a continuance of Manchukuoan attacks on Mongolian border posts. It was stated that the Mongols had lodged several demands, first, the return of border guards whom the Japanese had kidnapped; second, punishment of leaders of the Manchu expedition; third, Manchukuo to pay cost of property destroyed or stolen; fourth, an apology for the raid; fifth, assurances against repetition. The Moschow report declared that the Japanese provocative attacks on Mongolian territory had aroused deep indignation in Ulan-Bator, capital of Outer-Mongolia.

But a report from Hsinking, capital of Manchukuo, told a different story. An article in the Dec. 18 issue of the *Manchuria Daily News*, organ of the South Manchuria Railway published at Dairen, declared that "unlawful" acts by Soviets and Outer-Mongols continued without sign of abatement. In was alleged there had been a dozen cases in November and that the total number of such incidents was 255 since 1932. The report in the Japanese organ declared, "Statistics made public by the Manchukuo Foreign Office disclose invasion and other acts of violence by Soviets and Outer-Mongols, including unlawful reconnoitering, killing, arson, capture, pillage

and firing, numbering 190 during the period from March 1, 1932 and Nov. 30, 1935. Cases of infringement on the border and removal of border posts numbered 19 while unlawful acts on border rivers including infringement of navigation rights numbered 10 in all. In addition 32 cases were reported in which Soviet planes flew over Manchukuo and four cases of smuggling were discovered on the northern and western borders . . . The number of cases against which protests were filed reached 147, of which only four were entirely and 19 partially settled and 124 still pending . . . "

On Dec. 22 *Reuters* carried a report from Tokyo quoting the Japanese paper *Miyako Shimbun* as stating that Japan shortly would initiate negotiations with the Nanking Government for an agreement providing for "joint Sino-Japanese defense against Soviet influence in Sinkiang and Mongolia." It was stated that this was the real purpose of Article 3 of Koki Hirota's "Three-Point Program," which he had been trying to induce China to accept for many months. Previous reports were that Japan was only interested in an understanding in North China whereby the Japanese could actively assist in the suppression of the Chinese communist troops now converging in the northwestern provinces. Later on it was declared that Japan would insist upon helping China eradicate communism on China's borders. Now the Japanese Foreign Office comes out in the open and demands an alliance with China against the Soviet Union. What the National Government will do is not known and possibly may not be of much consequence in view of the rapid development of the "autonomy" movements in the North. Yin Ju-keng, head of the "Puppet No. 2" administration within the demilitarized zone, calls his set-up the East Hopei *Anti-Communist* Autonomist Government. Gen. Sung Cheh-yuan, chairman of the Hopei-Chahar Political Council, in his first official statement on the student demonstrations charged *communist influence* and declared his intention to enforce drastic suppression regulations. Major-General Doihara, in referring to the "autonomy" movement in eastern Inner-Mongolia, declared that in view of China's inability to protect the Mongols *against "red" influence* it had become necessary for Japan, China and Manchukuo to "cooperate" in extending protection.

That Japan is making plans for an early drive into Outer-Mongolia seems obvious. Recently the Japanese Military Attache's office in Shanghai issued a booklet in the English language entitled, "The Truth About Outer-Mongolia," which contained the following paragraphs:

"Wtih Soviet control of Chinese Turkestan (Sinkiang) an accomplished fact, in spite of denials to the contrary issued by Gen. Sheng Shih-tsai, governor of that territory; the continuous advance of the Chinese 'red' remnants in North China to effect junction with their Soviet comrades in both Sinkiang and Outer-Mongolia and the possibility of certain factions in China proper aligning themselves once more with Moscow, the danger of a serious Soviet advance through Outer-Mongolia is more real than the outside world realizes. The independence of action granted to the Far Eastern Soviet forces will also constitute an incentive for action when the right opportunity presents itself, and with the present trend of events in the Far East this opportunity is not far distant.

"The Red menace in China was only suppressed after several years of continuous and intense warfare and cost the country thousands of lives and millions of dollars, but this seems to have been lost sight of by certain groups and leaders who are still willing to 'misplace' their faith in an alliance with Moscow. They are blind to the twin threats from Chinese Turkestan and Outer-Mongolia.

"If the long-heralded war between Japan and Soviet Russia should break out in the near future, Outer-Mongolia will undoubtedly form the right flank of the Soviet attack or defense. In that case warfare will take place on neutral territory, presuming that Outer-Mongolia is an independent state and does not side with Soviet Russia against Japan. Irrespective of which side emerges the victor, Outer-Mongolia will suffer the consequences of hostilities. What will her attitude be toward this aspect of the case? Will she throw in her lot with Soviet Russia and hope for eventual victory and its resulting rewards, or will she take the opportunity of making a real attempt at independence?

". . . . . The Japanese long ago realized the importance of the Mongol nations, and immediately after the establishment of Manchukuo, steps were taken to create the semi-autonomous province of Hingan, reserved for the Mongols of Manchukuo. The freedom and prosperity of the Mongols in this province are bound to react favorably on their brethren inhabiting Inner and Outer-Mongolia, and gradually, in spite of their dominance by China and Russia respectively, there will once more be a movement for a united Mongolia. The presence of a Manchu emperor on the throne of Manchukuo has also had a responsive effect on the Mongols, and serious leaders among them look upon Emperor Kang Teh as their rightful ruler. The downfall of the Manchus in 1911 according to the Mongols, did not confer on China or any other nation a claim to their domains. They were allies of the Manchus and this attitude has not fundamentally changed since then, in spite of the division of Mongolia between China and Russia. Such feelings still exist among the Mongols, and these together with the sympathetic bonds extended by the Mongols (under Japanese influence) in Hsingan (Barga district of Heilungkiang Province of North Manchuria), form perhaps the base for that hitherto elusive United Mongolia."

Writer at Kalgan, Dec. 26, 1935.

Chinese Students Demand Abolition of Censorship of Chinese Press

The system of press censorship should either be abolished or be improved, according to opinion voiced by students of journalism of several leading universities including the Central University in Nanking in a joint petition sent to the Government Dec. 26.

If the system of press censorship should be retained at all, the petition states, it should be conducted on the basis of the following three principles :—

"1. That both Chinese and foreign-language newspapers should be subject to censorship :

2. That the control of press censorship should be centralized ; and

3. That definite standards governing the censorship of news should be fixed."

"Far East Magazine" Appears With Special Number

The current issue of *Far East Magazine*, published by W. Bartels at 114 Peking road, Shanghai, comprises 200 pages, printed in colors and profusely illustrated. It is largely devoted to achievements at Tsingtao. The World Olympiad of 1936 has also received considerable attention. Aviation developments and general engineering matters are also covered. The *Magazine* is sold for 80 cents.

Japan Plans Extension of Influence to Suiyuan; Chow Lu Praises Gen. Chiang's New Regime

HIGH LIGHTS IN THE EVENTS OF THE WEEK:

1. **Suiyuan Authorities Strengthen Defences Against Possible Invasion.**
2. **Rumor of Mongolian Independence Given Emphatic Denial in Peiping.**
3. **Doihara May Be Appointed Commander of Japanese North China Garrison.**
4. **Gen. Sung Declares Chahar and Hopei Talks with Japanese Progressing.**
5. **General Shang Chen's 32nd Army Ordered to Evacuate Hopei for Honan.**
6. **Japanese Press Comments on Alleged Struggle Among Government Factions.**
7. **Southern Statesman Praises New Nanking Administration Under Gen. Chiang.**
8. **Chinese and British Delegates Disagree on Yunnan Frontier Starting Point.**
9. **General Su Attempts Suicide in Nanking so as to Arouse Patriotism.**
10. **Generals Li Tsung-jen and Pai Tsung-hsi Given New Posts by Nanking.**

A *Reuter* message from Peiping Dec. 27 stated that the "Manchukuo" troops under Li Shou-hsin, which recently occupied six districts in East Chahar, continue their military activity and that an invasion of East Suiyuan is feared. General Fu Tso-yi, Chairman of the Suiyuan Provincial Administration, has sent General Tseng Yen-yi, a divisional commander, to East Suiyuan to inspect the situation. The defences of East Suiyuan are being strengthened to meet any emergency that may arise.

The Foreign Office at Nanking has lodged a protest with the Japanese Embassy against the erection of a radio station at Paotao, the Suiyuan terminus of the Peiping-Suiyuan Railway, by a Japanese named Saito, and an alleged plan by the Japanese military attache to make fortnightly aerial visits to Paotao from Tientsin. The protest, which was delivered to the Japanese Embassy Dec. 26 declares that such actions infringe on China's sovereign rights and requests that they be immediately stopped.

Telegrams confirming reports of the occupation of Kuyuan, eastern Chahar, by the "Manchukuo" invaders on the night of Dec. 22 have been received by the Tientsin authorities, according to a *Kuo Min* message. With reinforcements cut off, the Chahar peace preservation units put up a gallant resistance against the invaders for 48 hours. When the strength of the defenders was well-nigh exhausted, three Japanese airplanes, assisting the invaders, bombarded the city, killing a number of the peace preservation units and civilians. Unable to hold out any longer the peace preservation units retreated to the Tushihkow pass of the Great Wall. The "Manchukuo" troops entered the city on the morning of Dec. 23. Simultaneously, the Mongolian peace preservation units under Cho-Shih-hai occupied the city of Paochang, 25 miles northwest of Kuyuan.

RUMOR OF MONGOLIAN INDEPENDENCE GIVEN EMPHATIC DENIAL

Current rumors that Prince Teh had issued circulars to the Olanchab, Yeghejo and Silingol Leagues, inducing them to declare independence were emphatically denied in a telegram on Dec. 27 addressed by the Inner Mongolia Political Council at Pailingmiao to its Peiping Office.

Major-Gen. Doihara of the Japanese Kwantung Army is reported to come to Peiping some time after the New Year holidays to discuss the east Hopei question with the Chinese authorities. It is intimated that in addition to the East Hopei question, the east Chahar imbroglio will also be discussed between him and the Chinese authorities. It is also pointed out that as the Tangku controversy came out, and is therefore merely a part of the east Hopei bogus autonomist activities, the matter will be automatically solved when the larger question of east Hopei autonomy is settled.

DOIHARA MAY BE APPOINTED COMMANDER OF JAPANESE GARRISON IN NORTH CHINA

Reuter reported that no new developments are expected in the Sino-Japanese negotiations relating to East Chahar and East Hopei until Major-General Doihara returns from Changchun. Major-General Doihara, who occupies the post of chief of the Japanese Military Mission in Manchuria, will probably remove his headquarters from Mukden to Tientsin in order to facilitate his conduct of negotiations with the Chinese and that he may be appointed Commander of the Japanese Garrison in North China in succession to Major-General Tada. It is felt in Tientsin that there is little hope of recovering the six districts in East Chahar which have already been occupied by "Manchukuo" troops. It is also doubted whether the East Hopei question can be settled without involving further loss of Chinese sovereign rights.

Major-Gen. Kenji Doihara was the central figure in a conference of high Japanese military officers held at Changchun Dec. 27. According to *Rengo*, developments in North China, culminating in the establishment of the Hopei-Chahar Political Council under Gen. Sung Chen-yuan and of the East Hopei Autonomous Anti-Communist Government at Tungchow with Yin Ju-keng at its head, formed the bulk of Major-Gen. Doihara's report. Major-Gen. Doihara told Mukden newspaper reporters Dec. 26 that he expected to see the Yin regime merge with the bigger Council "as soon as both groups agree on the underlying spirit of autonomy for North China." "Great things can be expected from Council depending under Gen. Sung's efforts," the Japanese officer said. "We must not forget that these things are being done by Chinese, "he continued." We must look at them with sympathy and patience." Major-Gen. Doihar declared he did not believe that the student movement in North China would develop further in view of the "apathy shown towards it by the people as a whole and the strict measures taken by the authorities." "It is pretty much evident that the demonstrations were instigated by the Kuomintang," he asserted. "We also have proof that Communistic elements took advantage of the situation." Asked if he would become advisor to the Council, Major-Gen. Doihara denied "any knowledge" of plans that he was being slated for the post.

"I expect to see a stop to all rumors which appear to alarm the entire would as soon as the various nations obtain a better understanding of the situation in North China," he declared in conclusion.

Fears that the newly-formed Chahar and Hopei Political Council and the East Hopei Anti-Communist Autonomous Government would not last were derided by Lieutenant-Colonel Tan Takahashi, former Japanese Assistant Military Attache in Peiping. According to a *Rengo* message from Moji Dec. 29, Col. Takakashi is on his way to Tokyo to assume his new post with the Army General Staff.

"The future of the autonomy movement in North China, based upon those two organizations," Lieutenant-Colonel Takahashi continued, "cannot be predicted at this time since only their frame-work has been completed.

"At present, the people appear to be impatient with the apparent lack of energy of the Council, while, on the other hand, the Nanking Government is bringing pressure to bear on it," he added.

"We shall have to watch and see how the Council manages to deal with the Nanking Government in a way that will satisfy the people," Lieutenant-Colonel Takahashi concluded.

Calling on Gen. Yoshiyuki Kawashima, Minister of War, Dec. 27, Col. Seiichi Kita, chief of the China section

of the Army General Staff, reported on his recent trip to Tientsin, Peiping, and Changchin, where he delivered important instructions, from the central military authorities to the command of the Japanese garrison in North China. *Rengo* reported that Col. Kita had given assent to the proposals to negotiate directly with the new administration in North China, instead of through the Nanking Government, to augment the Japanese forces in Tientsin, and to take the necessary steps for the formation of a joint Sino-Japanese front against Communistic inroads in Asia.

Prior to his departure for Japan on Dec. 29 on the *Nagasaki Maru*, Yakichiro Suma, Japanese Consul-General in Nanking, called Dec. 28 on Dr. H. H. Kung, Minister of Finance; Dr. Sun Fo, President of the Legislative Yuan; and Wu Ting-chang, Minister of Industry. On the previous night Mr. Suma conferred at length with Akira Ariyoshi, Ambassador to China, at the latter's official residence in French Concession. Mr. Suma, *Rengo* reported, carried with him to Japan a report on Mr. Ariyoshi's recent conversation with General Chiang Kai-shek, President of the Executive Yuan, and General Chang Chun, Foreign Minister. He will remain in Japan for a month. Mr. Kaname Wakasugi, Councillor of the Japanese Embassy, will take charge of the consular business in Nanking during Mr. Suma's absence, although remaining in Shanghai.

GENERAL SUNG DECLARES CHAHAR AND HOPEI TALKS PROGRESSING

General Sung Cheh-yuan, Chairman of the Hopei-Chahar Political Council, declared Dec. 27 that his negotiations with the Japanese military leaders in North China for a settlement of issues affecting East Hopei and East Chahar were "progressing smoothly." General Sung recalled the assurances given by the Japanese authorities that they would not interfere with the domestic affairs of China. The East Chahar problem concerns the demand for the transfer of six districts to Jehol for inclusion as part of "Manchukuo," while the East Hopei issue relates to General Sung's request for the abolition of the "autonomous council" under Yin Ju-keng.

General Sung Cheh-yuan conferred with the Japanese military leaders in Tientsin on two outstanding Sino-Japanese problems in North China:—

1.—The situation arising from the demand of the Japanese for the transfer of six districts in Chahar to Jehol for inclusion as part of Manchukuo.

2.—The incorporation of the "Autonomous State" of East Hopei under the jurisdiction of the Hopei and Chahar Political Council.

The Japanese press declare that the second point is "impossible."

In the Sino-Japanese negotiations reportedly for the solution of various North China incidents, the Japanese military authorities are more concerned with the East Chahar problem, according to Lei Shih-shang, an official under General Sung Cheh-yuan. Both the Chinese and Japanese authorities, however, Mr. Lei stated, are desirous of a simultaneous settlement of the East Chahar and East Hopei questions, the latter involving the bogus regime under Yin Ju-keng. During the absence of Major-General Doihara, Mr. Lei added, negotiations are being carried on between General Sung Cheh-yuan, Chairman of the Hopei-Chahar Political Council, and General Tada, Commandant of the Japanese forces in North China. As soon as General Doihara returns to Tientsin from Changchun, Mr. Lei declared, the various questions will most likely be given a definite settlement.

NEW PEI-NING RAILWAY DIRECTOR ASSUMES OFFICE

Reuter reports that considerable speculation has been aroused by the action of the Hopei and Chahar Political Council in appointing Chen Chueh-shen, a close adherent of Gen. Sung Cheh-yuan as acting Managing Director of the Peiping-Liaoning Railway without reference to the Ministry of Railways. Mr. Chen had been much in demand in the recent North China negotiations because of his fluent command of Japanese. Mr. Chen proceeded to the head office of the railway in Tientsin Dec. 26, accompanied by a detachment of men from the Peace Preservation Corps. Mr. Chen formally assumed his post in the afternoon of Dec. 26. Immediately after his assumption of office, he appointed the heads of the various departments.

GENERAL SHANG CHEN'S 32ND ARMY EVACUTES HOPEI FOR HONAN

The units of the 32nd Army under General Shang Chen, the new Chairman of the Honan Provincial Government, have been transferred southwards to the Hopei-Honan border from Paoting, provincial capital of Hopei, in accordance with the instructions of the Central Government. The vacated posts at Shihchiachuang, junction of the Peiping-Hankow and Chengting-Taiyuan Railways, and its neighbourhood have been taken over by the 119th Division under Major-General Sun Te-chuan attached to the 53rd Division under General Wan Fu-lin.

Bandits numbering more than 2,000 strong, under the command of Liu Kwei-tang, notorious ex-army officer, are renewing turpulent activities in districts a little further north of the Peiping-Suiyuan Railway, according to *Central News* report Dec. 28.

JAPANESE PRESS COMMENTS ON ALLEGED STRUGGLE AMONG GOVERNMENT FACTIONS

Sino-Japanese relations loom large in the local Japanese newspaper. The *Shanghai Mainichi* on Dec. 25 voiced concern over the reported "coolness of General Chiang Kai-shek towards Nippon, while the *Shanghai Nippo* urged the so-called "Japanese faction" in the Central Government to oppose the policies of the "Occidental clique."

"It is difficult to appreciate the reasons for the alleged indifference to Japan by General Chiang Kai-shek and General Chang Chun, Foreign Minister, in view of the ardour demonstrated in the reorganization of the Government," the *Mainichi* declared.

"Some say that General Chiang's influence over the Kuomintang is far weaker than that of Wang Ching-wei, and that the former has been discouraged by the spread of the student movement.

"Others assert that the new financial policies place control over the special accounts of the Ministries of Communications and Railways in the bands of Dr. H. H. Kung, who is in the hands of T. V. Soong and the Chekiang financiers.

"It is immaterial whether General Chiang's insincerity has been caused by the pressure of the Kuomintang or the Occidental clique. If the present state of affairs is allowed to continue, we cannot but fear both for the future of Sino-Japanese relations and China herself.

"We hope that the Nanking Government will have enough courage to widen the understanding of the Kuomintang and the Occidental clique concerning Japan's real policies," the *Mainichi* concluded.

The *Nippo* asserted that three factions, the Japanese, the Euro-American and the Soviet, are contending for supremacy within the Government. Each faction usually consists of returned students from countries which they favor.

The Japanese group, although numerically strongest, is characterized, according to the *Nippo*, by a lack of unity. The two other groups, in conttrast, are strongly unified and wield considerable pressure.

So long as the Occidental group remains in power, the *Nippo* continued, and continues its reliance upon western powers, which fear the extension of Japanese influence in China, there can be no hope for an adjustment of Sino-Japanese relations.

Foreign countries, according to the *Nippo*, have been making conscious efforts to attract China students. Thus, Italy gives large scholarships to Chinese students, in addition to paying for their passage to and from Europe. The United States are expending large sums to train Chinese aviators, in connection with the plans to establish a Trans-Pacific air-route and the sale of arms to China. The number of such students already reaches 500, the paper said.

The Japanese authorities, on the other hand, do not seek to encourage Chinese to study in Nippon. Some Chinese students in Japan are given a cool reception or are discriminated against. This, according to the *Nippo*, constitutes a reason

why Japanese returned students are not always pro-Japanese.

"It would be wise," the journal concluded, "to accord favorable treatment to Chinese who come to study in Japan."

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Reviewing the Sino-Japanese relations in the past year of 1935, the *Shanghai Nippo* enumerates the facts including the meeting of A. Ariyoshi and Major-General Suzuki with General Chiang Kai-shek in the early spring of the year, the case of *Hsin Sen Weekly*, the attempt on the life of Wang Ching-wei and the assassination of Tang Yu-jen.

"We cannot overlook the fundamental tendency behind the facts above mentioned. Contrary to the policy for the readjustment of Sino-Japanese relations, the Kuomintang leaders have been maintaining an opposing position against this policy. At least, the Kuomintang leaders have little sincerity for the readjustment of the relations. The so-called Occidental clique, the pro-Soviet group and the Right group, constitute the backbone of the anti-Japanese tendency of the Kuomintang."

In conclusion, the Japanese daily points out that the advisability of the Sino-Japanese rapprochement and cooperation has been accepted by the Chinese people for ten or even thirty years, but no concrete steps have been taken by both countries, due to the lack of zeal on the part of of both Japanese and Chinese peoples. "Actual efforts should be made by both peoples for the readjustment of the Sino-Japanese relations," the paper concludes.

Gen. Han Fu-chu, Chairman of the Shantung Provincial Government, has announced three commandments for the strict observance by his subordinates for the coming year. These commandments are: (1) Accept no bribes and be not afraid to die; (2) Do best to foster a military spirit; and (3) Try every effort to overcome all difficulties to work for the welfare of the people.

General Liu Chih, newly appointed Pacification Commissioner for Honan and Anhwei, and General Shang Chen, new Chairman of the Honan Provincial Government, were formally inducted into office at Kaifeng, provincial capital of Honan, on New Year's Day. Fang Chio-hui, member of the Central Executive Committee, administered the oath on behalf of the Central authorities.

NANKING TO HOLD EDUCATIONAL CONFERENCE

In response to the invitation of the Government, the heads of Chinese schools in Tientsin decided to dispatch 11 students and seven teachers as delegates to the Nanking Educational Conference. One of the aims of the conference is to discuss measures to prevent the student demonstrations throughout thte country getting out of hand.

The order of General Chiang Kai-shek, President of the Executive Yuan, for the despatch to Nanking of representatives of the students of the various schools in Peiping for a conference on Jan. 15 was received on Dec. 29. Measures for the election of student representatives have been decided upon.

CHOW LU PRAISES NEW NANKING ADMINISTRATION UNDER GEN. CHIANG

Chow Lu, newly elected member of the Central Executive Committee, arrived back in Canton from Nanking Dec. 28 and was warmly greeted by a large number of local officials. Interviewed, he expressed complete satisfaction with the outcome of the conferences at Nanking, as well as optimism concerning the general situation. He stated that national unity was now a *fait accompli*, and that the political outlook, which had remained obscure for a considerable time, was now more bright, with General Chiang Kai-shek assuming direct responsibility as head of the Executive Yuan. Mr. Chow highly praised General Chiang Kai-shek and expressed confidence that the new administration in Nanking would do its utmost to cope with the national crisis. Concerning the Sino-Japanese situation, the Contonese statesman believed that internal trouble would break out in Japan sooner or later. All the Chinese need do, he added, was to present a united front and to face the issue calmly and courageously.

CHINESE AND BRITISH DELEGATES DISAGREE ON YUNNAN FRONTIER STARTING POINT

Over 10 meetings of the Sino-British Joint Commission for the demarcation of the Yunnan-Burma Boundary have been held during December at Husuan, on the Yunnan-Burma border, according to an official announcement made at Kunmin, capital of Yunnan. The discussions had centered on the question of determining the starting point for the demarcation of the boundary. The Chinese delegation has refused to recognize the authenticity of three stone piles, said to have been put up in the past by Chinese and British representatives, on the southern bank of the Nating Ho (river). It holds that the 97th boundary stone should be regarded as the starting point for the delimitation of the boundary. The view of the Chinese delegation is shared by Colonel Tselin, the Swiss neutral Chairman of the Commission nominated by the League of Nations. The British delegation, however, is not yet wholly in accord with this view. Discussion on this point are still in progress.

COMMUNISTS IN SZECHUAN, SHENSI AND HUNAN SUFFER FRESH REVERSES

After having concluded a prolonged visit to Kunglai, western Szechuan, where he personally directed the campaign against the remnant Communists-bandits, General Liu Hsiang, Chairman of the Szechuan Provincial Government and concurrently Commander-in-Chief of the Szechuan Communist-bandit Suppression Forces returned to Chengtu Dec. 27. Interviewed by local press representatives, General Liu said that the Governmnt troops had recently recovered several strategic points hitherto occupied by the remnant bandits under Chu Teh and Hsu Hsiang-chien and are now preparing for a fresh offensive against the outlaws.

Communist remnants in northern Shensi are facing the most trying circumstances, harassed by cold and shortage of food, according to Liu Hsien-shou, one of the surrendered Reds, who has arrived in Sian. The daily ration of the Reds, according to Liu, consists of no more than millet congee, and for the past several months they have received only $2 each as wages. Most of them are without shoes and socks. Terrorist methods, Liu stated, have prevented many of them from deserting their camps. Anyone caufht for desertion is subject to immediate death.

Reporting on the campaign against the Communists under Hsiao Keh and Ho Lung in south-western Hunan, General Ho Chien, Chairman of the Hunan Provincial Government and concurrently Commander-in-Chief of the 1st Route Army of the Bandit-suppression Forces, states that the outlaws are fleeing towards Huayuan, north of Wukang in south-western Hunan, from Tungkow. Despite the heavy snowfall, the combined Central Government and Hunan troops are in close pursuit and have inflicted severe casualties.

Through the able direction of Lieut.-General Wei Li-huang, Field-Commander of the Bandit-suppression Forces for the Fukien-Chekiang-Anhwei-Kiangsi border, the communists in southern Chekiang have been totally liquidated. In recognition of their meritorious services, General Huang Shao-hsiung, Chairman of the Chekiang Provincial Government, has given a cash reward of $10,000 for distribution among the rank and file of the Government troops.

GENERAL SU ATTEMPTS SUICIDE SO AS TO AROUSE PATRIOTISM

A sensation was created in the capital Dec. 27 by the news that a high military officer attempted to commit suicide at the Sun Yat-sen Mausoleum. According to a *Reuter* report, General Su Fan-ting, Chief-of-Staff of the newly-organized 1st Army Corps, returned to Nanking last month from the North-west via Peiping and Tientsin. Disturbed by the suppression of student demonstrations, General Su, shortly after four p.m. Dec. 26, went to the Sun Yat-sen Mausoleum and stabbed himself in the side with a dagger. He was still conscious when, nearly three hours later, he was found outside the main hall of the Mausoleum by some friends who were worried over his absence. He was immediately rushed to the Central Hospital, where his injuries were found to be serious. He is, however, expected to recover. General Su had with him a lengthy statement, addressed to the spirit of Dr. Sun Yat-sen, urging the Government leaders and the public to rise against external aggression. Marshal Feng Yu-hsiang, General Hsu Yung-

(*Continued on page 165*)

Will It Be All the Same in a Hundred Years?

(Part of an editorial in The Christian Century, Nov. 27.)

JAPAN is pursuing this latest grab in North China with far more finesse than Mussolini has shown in Ethiopia, or than Japan herself showed in Manchuria and Jehol. The puppet government which she is setting up in China's five northern provinces is not sundering itself from China. It is remaining a part of China, and is merely proclaiming its "autonomy" from the authority of the central government. It will continue to pay its share of China's foreign debts, the Japanese announce, thus obviating an immediate cause of complaint from other nations. It will, to be sure, conduct its internal affairs as though it were an independent state, but as long as it does not legally assert its independence what ground is there for action by the League? This, at least, is the suave argument now put forward from Tokyo.

Far more importance, however, attaches to the fact that Great Britain has her hands sufficiently full in Africa to have no interest in a simultaneous attempt to apply sanctions against an aggressor in the Far East. Whatever one's attitude toward the League's imposing of sanctions on Italy, it must be apparent that the decisive factor in the adoption of that policy has been the insistence of Great Britain. That same factor is the only conceivable one which could induce the League to attempt a sanctions campaign against Japan. In view of all that is happening in Europe, in Egypt and in India it can be said with confidence that there is not the slightest chance, that Great Britain would seriously consider proposing such a policy to the League at the present time. Japan knows this perfectly well, and if China does not, she will soon find it out.

Great as will be the sympathy for China felt throughout this country and most of the rest of the world as this latest aggression on Japan's part works out its program, it is time to look with unclouded eyes at what is happening in order to gain some realistic expectation for the future.

What is Japan doing? Convinced that her future requires the building of a great empire on the Asiatic mainland which can supply both abundance of raw materials and human markets, Japan is employing an army and navy of the first rank to seize that empire. She now holds the mainland from the Amur River to the Yellow River, and inland for more than a thousand miles. She will continue southward until she controls the Yangtze Valley and the coastal provinces at least as far as Swatow. She may, in fact, absorb all China (including Mongolia) except two or three of the extreme western and southwestern provinces. She is almost sure, moreover, to bring the Philippines within her sphere of economic control, although it is not certain that she will attempt to include the newly established commonwealth within her political empire. This is the program by which Japanese industrialists, financiers and militarists believe that their empire can gain a position in the Orient during the twentieth century analogous to that gained by the island empire of Great Britain in the occident during the eighteenth and nineteenth.

Faced by this prospect, what will the nations which have hitherto insisted on their "rights" in China do about it? Aside from diplomatic protests, nothing. Financial adventures become impossible as Japan demonstrates to the world's bankers that she holds the political and military trump cards. The United States has concluded—and rightly—that the interests which she thought required the annexation of the Philippines less than forty years ago were a mirage. Accordingly, she is withdrawing from the Orient. There are British interests for which a portion of the British tory public would like to fight, but the brutal realities of a disintegrating empire will force Great Britain to accede to Japanese demands, however distasteful.

The only genuine threat of outside interference with the Japanese expansion lies in Russia, and evidence grows that the Soviet union is too deeply involved in preparing to defend its western flank to offer more that a pro forma resistance to Japanese ambitions. Should Japan again make a move toward annexing eastern Siberia this prospect might change, although even in that case Stalin might prefer to lose that region temporarily rather than to weaken his defense against attack from the west. And Japan now appears more interested in the occupation of the temperate and thickly populated part of eastern Asia than in the elusive riches of the Siberian wastes.

THE TRAFFIC ON ONE SIDE OF THE ROAD—AND THE OTHER

CHINE
JAPON
VOUS AVEZ DEPASSE LE SIGNAL DE VINGTS CENTIMETRES C'EST LA FAUTE LA PLUS GRAVE QUI AIT JAMAIS ETE COMMISE
STOP
GENEVE
ITALIE

The above cartoon is reprinted from Paris "Je Suis Partout" (I am Everywhere), evidently based on a previous one from the London "Daily Mail." Mr. Eden is represented as saying to Italy: "You have passed the 20-kilometre signal, which is one of the most serious faults that has ever been committed." Going in the opposite direction Japan has created general havoc and has escaped.

While this is going on, what will China do? Sporadic attempts at resistance she may make, but she will have to do this without hope of outside aid, and without hope of military victory. For a half-century to come, or more, it is altogether likely that China will lie prostrate and helpless under the boots of the Japanese army. She will be conquered—outwardly. Inwardly, she will guard her culture, her soul, with a confidence in her spiritual impregnability which is quite beyond occidental comprehension. "In a hundred years it will all be the same." That is China's most frequently quoted proverb; it is her philosophy of history, based on the experience of more than four millenniums. When other means fail, China will fall back on this philosophy, sure that another half-century will see Japan baffled and thwarted (and perhaps revolutionized) by her failure to pierce this spiritual impregnability. But that will be an outcome for Japan's invasion of China in which the nations of the west can have no part; it will be an outcome dependent entirely on the demonstration that the Chinese character and the Chinese culture remain what they have been for forty centuries.

Flood Areas in Northern Kiangsu Are Ice-Bound

The flood-stricken areas of Sutsien, Shuyang and Kuanyun in northern Kiangsu are ice-bound. Sheets of ice, tossed hither and thither by the Yellow River flood waters which continue to flow down from southern Shantung, have cut into the dykes of the various waterways and caused many leakages.

In order to drain off the flood waters, an outlet to the sea will be provided through the Wutao Ho (river) at Kuanyun, north-eastern Kiangsu. This dredging work will be undertaken by the Huai River Engineering Bureau, so as to minimize the danger to the scheme for diverting the waters of the Huai River into the sea. The cost is estimated at $500,000; surveys have already been started.

Japan's Mission to "Open Up" Mongolia

BY C. Y. HSIEH

UPON the recent patching up of the North China troubles a high Japanese military officer was quoted as saying that far more important events than have so far happened are yet to come. Since this gentleman and his colleagues in uniform can always be counted on for candid if somewhat unpleasant hints, his comment must be taken as portending imminent developments. Such a conjecture did not take long to justify itself. For in the wake of the setting up of a so-called autonomous regime in North China came a fresh incursion into eastern Chahar and a recrudescence of border incidents and diplomatic bickerings between the bogus "Manchukuo" Empire and the no less bogus Outer Mongolian Republic.

The fact is that the Japanese now consider another act of the Far Eastern drama to have been concluded and are busily preparing for a Mongolian scene. That drama has been a veritable welter of national destinies which cost a people its political entity and was in varying degrees responsible for the fall of two empires and the rise of a third as a world power. Although it began with the Korean tragedy, the trend of subsequent events has caused it to be continued in a setting farther and farther removed from the initial one.

At present the Ulan Khuduk and Lake Buir region is quite a sore spot. The real danger of the situation there is that it has drifted to a point where even the farce of futile negotiations may be dropped in favor of sterner measures. Reports to hand indicate that the Japanese are in no mood to wait for Moscow's approval of a peaceful penetration of Outer Mongolia. Already the "Manchukuo" outposts have been ordered to move and claim what they can occupy in the name of the puppet empire.

Pressure on Mongolia, however, is not confined to its northeastern border. Down in Chahar Province Japan has also brought the force of arms into play in order to gain an important vantage point.

Sequal to Refusal Is Renewed Invasion

For some months past the Japanese have been demanding the withdrawal of provincial peace preservation corps from six of the hsiens in eastern Chahar which they wanted policed by similar Mongol corps of Cho-shih-hai (卓什海). This the Chahar Provincial Government has steadfastly refused, as compliance would mean the loss of more than half of the territory under its jurisdiction. The sequel to the refusal is the recent renewed invasion.

According to well-informed observers, the Japanese in demanding the six hsiens aimed at controlling the Kalgan-Urga highway, the only line of communication between China and the U. S. S. R. after the Manchurian incident, since contact through Sinkinag (Chinese Turkestan), a remote province, is highly impractical. Policing of these hsiens by Mongols recruited and organized by the Japanese would give the latter complete sway over the middle section of that highway. But there is a far more important aim—the acquisition of spiritual overlordship over all Mongols because the six hsiens were once the seat of Mongolian power and glory.

Another factor favorable to the Japanese in their drive into Mongolia is the railway. Now that they control the entire Peiping-Mukden line, it will not be long before they grab the Peiping-Suiyuan Railway and bring about through traffic all the way from southern Korea to Paotou in Suiyuan Province. With the military value of such arangements in mind, it is no surprise to learn that the Japanese Army will soon set up a special service department at Kalgan, and that the provincial authorities of Suiyuan have grown uneasy over the fortnightly visits of Japanese military officers to Paotou.

If the Japanese have pushed these plans in real earnest, it is because they are convinced that the key to Outer Mongolia lies in Inner Mongolia. In this connection it is important to take stock of the many current rumors about the attitude of Prince Teh and his followers. The strategic position of this group of people, with whom the Inner Mongolian autonomy movement has been identified, need not be emphasized. For there is no doubt that their decision one way or the other would radically change Outer Mongolia's political topography.

With the stage thus fully set, action cannot be long delayed. Straws in the wind there are a-plenty to show how it will come. To these the ever inspired Japanese press again gives the lead, as it has repeatedly given whenever aggression has been contemplated by Japan and propaganda needed to justify it before her people and the world at large.

The case in point is a recent article in the *Miyako Shimbnn* of Tokyo which suggests that Koki Hirota, Japan's Foreign Minister, will shortly start negotiations with the Chinese Government for "joint Sino-Japanese defence against Soviet influence in Sinkiang and Mongolia." It says that the negotiations will be based upon the third section of the so-called "three-point policy" enunciated by Mr. Hirota last November 23 as the foundation of Japanese relations with China. This section provides, in the words of *Reuter*, for: "A program to be drawn up for a common front between China, Japan and Manchukuo, aiming at preventing the spread of communism."

In the opinion of the *Miyako*, relations between China and Japan on the one hand and U. S. S. R. on the other are likely to become "more strained" now that the autonomy question in North China has been "satisfactorily solved."

"Onward to Lake Baikal!"

It is evident that whatever may be Japan's designs on Sinkiang, her immediate interest is in Outer Mongolia. Into this Soviet-dominated territory she is now working for some sort of a partly opened door. But how? It is a well-known fact that China claims Outer Mongolia, but has not deemed it wise to press the claim against the perfectly obvious dominance of the U. S. S. R. Here is a chance for the Japanese who now would like to trade the squelching of the northern pseudo-autonomy movement for China's enlistment of Japan as an ally in asserting actual as well as nominal domination over Outer Mongolia. If the move is agreed upon, which is very unlikely, it will be heralded by a Sino-Japanese proposal that the Soviet Government open Outer Mongolia to other foreign countries, and in the event of a refusal, backed up by a Sino-Japanese military alliance "to oppose the sovietizing of Mongolia by Russia."

On the other hand, the Soviets have not been slow in meeting the new situation. While their press professed peace and turned full blast on Japan's ambitions on the Asiatic Continent, they have tightened up their military preparations along the Siberian frontiers. And, to insure that no weak link exists in their system of defence, they have summoned leaders of the Outer Mongolian Republic to Moscow for consultations.

Out of these maneuvers and counter-maneuvres one thing is certain. It is that the notorious Tanaka Memorial has been brought one stage nearer fulfillment. The Great Wall phase has passed.

Onward to Lake Baikal!

Missionaries Are Charged by Reds with Using Religion to Further Imperialism

Further details are to hand concerning the experiences of A. Hayman, the New Zealand member of the China Inland Mission, who was released on Nov. 18, after more than a year in the hands of Communists in Northeastern Kweichow. Mr. Hayman, Mr. Bosshardt, their wives and families, and Miss G. Emblen were captured by Communists under Hsiao Keh on October 2, 1934, in their station at Kiuchow, eighty miles east of Kweiyang, the capital of Kweichow province. Mr. Hayman was released, it seems, because the communists feared he might die. The Reds, after having captured the missionaries, stayed in Kiuchow only one day; they then went on, taking Mr. Hayman, Mr. Bosshardt and Miss Emblen with them, but Miss Emblen was set free after a few days, as she could not keep up with them. The two foreigners were better treated than the Chinese captives. Mr. Bosshardt, a Swiss, they believed to be a spy in the pay of England and were stricter with him. Both were often cross-examined. Mr. Hayman stated that the Reds' system of espionage was so good that whatever might be printed in Shanghai would get back to them, and so he wished to say nothing which might injure his companion, still in their hands. All their belongings were confiscated. Once they were beaten and once shut up in a dark room for five weeks, but they were allowed to be together. They kept such a good tally of time that the Reds used often to ask them what day it was. In the winter of 1934 they escaped, but were soon recaptured. Finally they were tried in public, their trial following that of a Chinese who was condemned to death. The accusation was "that both defendants have been sent to China under imperialistic principles to delude with the teachings of Jesus the docile people, have explored the country and thus served as vanguard of imperialism. They penetrated the country for the purpose of preaching, but they carried cameras with them and photographed strategic military positions. When in villages, they inquired about passes, roads, waterways, crops, etc., which shows clearly their intentention of transgressing Chinese law and thus acting against the 4th and 8th paragraphs of the Penal Code. Therefore, the prisoner Bosshardt will be fined $300,000, and the prisoner Hayman, $450,000, together with imprisonment for one year. There is no appeal against this sentence. If the terms are not observed, the Court will increase the punishment."

Population of China Now 453,815,235

China's total population is 453,815,235 persons, according to the Ministry of Interior. This figure is slightly more than that given by the Directorate- General of Budgets, Accounts and Statistics, whose estimate of the total population is 452,333,892.

The Hu-Murobushi Letters on Sino-Japanese Relations—A Few Observations

BY C. Y. W. MENG (孟長泳)

IT IS very interesting to read Dr. Hu Shih's letter to the Japanese people and Takamobu Murobushi's reply on Sino-Japanese relations (see *The Review* of Dec. 14, 1935). Both of them are writers and scholars of reputation, so what they say is more representative of the public opinion of the people of the two nations than any official announcement of policy, speech, or statements by the authorities in Nanking or Tokyo.

Japanese Themselves Oppose Japanese Militarism in China

A careful perusal of Mr. Murobushi's letter to Dr. Hu convinces us that the present Japanese aggression in China is only the work of the Japanese militarists; and it is by no means endorsed by the Japanese people; and further, it reveals to us that Japanese "sympathies" are with the Chinese. At the opening of his letter, the Japanese writer pointed out that since the publication of Dr. Hu's letter to the Japanese people, "it has created a very sympathetic feeling among the intelligentia in this country (Japan). They have accorded you (Dr. Hu) unusual praise and your country unbounded sympathy." In his letter to the Japanese people, Dr. Hu advised the Japanese not to talk any more about Sino-Japanese friendship, to which the Japanese writer replied: "The intellectual class in Japan understands you and cannot refrain from receiving your announcement sympathetically."

But of greater significance is the Japanese admission of the many blunders and suicidal actions committed by the Japanese militarists in China. "Really Japan is not free from errors and impulses, nor from exertions contrary to what Mencius called the spirit of seeking profit through righteousness. She is not free from violations of the Japanese spirit but prone to avarice of the English type . . . .", said the Japanese writer. The Japanese intellectual class also admits that what the Japanese militarists are doing in China today is "harakiri" to the race as a whole, when the Japanese writer pointed out that "at this moment, at this weighty moment, crisis, as your far-sighting eye has perceived truly, lurks on the verge of the golden age. If the Japanese people should act solely on impulses and take advantage of the weakness of another nation at the expense of their own conscience, the prospect of old age would at once fade into nothing. We must warn ourselves . . . ." The Japanese intellectual class is also opposed to the Japanese policy in China, when the same writer said "I never have considered the China policy of Kato Komi as a wise policy for Japan. I must also acknowledge that Japan has not acquired a full understanding of China on account of narrow-mindedness shown in her diplomatic relations with China." Thus, it is very clear that the Japanese intelligentia are really opposed to Japanese militarism in China!

Who Sows the Seeds of Hatred?

However, at the end, Mr. Murobushi asks: "Is China doing her utmost to eradicate hatred and the seed of perpetual hatred, or is she cultivating them? Have the leaders in your country (China) tried hard to persuade the people to generate genuine friendship, or are they striving to deteriorate Sino-Japanese relations till no hope of amelioration is possible?" To the Chinese intelligentia, the question is simple enough to be answered in a few words.

Let us study the history of Sino-Japanese relations, and let us ask and answer impartially: Who sows the seed of hatred every time? And who further sows the seed of perpetual hatred —China or Japan?

By presenting the infamous "21 Demands" to China in 1915 and by forcing China to sign the agreement under duress when China did no wrong to Japan, did not Japan sow the seeds of hatred? But before this could be forgotten, by a "massacre" of the Chinese in Korea at the instance and connivance of the Japanese authorities, Japan sowed other seeds of hatred. But scarcely was this war over, but the bombardment of the city of Mukden occurred on the fatal night of Sept. 18, 1931, which was immediately followed up by the forcible occupation, without any provocation on the part of the Chinese, of four Chinese North-eastern Provinces, and the creation of the puppet state of "Manchukuo." Thus Japan created an "Alsace-Lorraine" in China, and has sown other seeds of hatred, not of temporary character. By instigating the so-called "autonomous movement" in North China, through which the Japanese militarists manifest very clearly that they will not be satisfied with their present conquests until they completely subjugate China, Japan has created more than one "Alsace-Lorraine" in China, and has sown more seeds of hatred, not of a temporary character but perpetual. As the Chinese point out time and again—by losing four North-Eastern Provinces, China has substained a heavy loss in natural resources, in national revenues and in national prestige. Should North China, where lie most of China's natural resources (See the article by the same writer in *The Review* of Dec. 14, 1935) be further lost to Japan, it means nothing but a death-knell to China. North China is the "lifeblood" of China! But by attempting to wrest North China from China, Japan has "hatred developed, but not dissolved," "hatred cultivated to brew deeper hatred until the seed of perpetual hatred is sown!"

On the other hand, let us ask: in face of such aggression from our neighbor and our many humiliations, what has been the Chinese policy? Is it not essentially a policy of "non-resistance" which enabled the invaders to occupy one-third of Chinese territory in the short period of four years, without much "sacrifice of blood," and in most instances, "without a single shot?" Japan demanded the opening of direct railway and postal service between North China and Manchukuo—the purpose, as every layman knows, being to force China to accord a tacit recognition of Manchukuo. China agreed. Japan demanded the demilitarization of a large portion of territory east of Hopei. China agreed. Japan demanded the creation of a special political organ in North China. China agreed. Japan demanded the closing of the Kuomintang offices in North China. China agreed. Lastly, and most important of all, Japan demanded the total suppression of all anti-Japanese opinion and action in China, including the revision of text books deleting the parts on Japanese aggression in China. China also agreed. China has done everything she could to meet the Japanese demands, even to plunging herself into the depths of humiliation.

By a series of "mandates," "promulgations," etc., the Chinese Government has taken effective action in suppressing all anti-Japanese opinion and action—a situation which caused the many foreign observers in this country to express their surprise about why the Chinese masses were completely silent in face of such national humiliations. The real reason is that, although the Chinese are not lacking in patriotic feeling, their expression is being rigidly suppressed.

But why does Nanking take such steps and adopt a policy of "compliance?" The sole reason is that the National Government hopes to make "the amelioration of Sino-Japanese relations possible!" Nor did the attempted assassination of Wang Ching-wei—"the victim of pro-Japanese policy"—and the assassination of Tang Ju-jen—"another vicitm of pro-Japanese policy"—nor the nation-wide student demonstrations cause any change of the Chinese policy towards Japan. The formation of a new cabinet which is dominated by Japanese returned students indicates that Chinese policy is essentially the same as before in seeking for "friendship" and "peace" with Japan by creating a favorable situation in this country to pave the way for Sino-Japanese negotiations for re-adjustment of Sino-Japanese relations. When a country adopts such a policy in the face of aggression, no one is justified in accusing the leaders in that country of not trying to "persuade the people to generate friendship," or "of deteriorating Sino-Japanese relations till no hope of amelioration is possible." Not only the Chinese say so, but the world says so, Mr. Murobushi.

So when the whole situation is studied, it is revealed that every time it is Japan who insults and humiliates China, and not vice versa. It is Japan who sows the seeds of hatred, but not China. It is Japan who develops and cultivates the seeds of "perpetual hatred," but not China. Every time, it is China who does her best to perserve peace and carry on peaceful negotiations for the re-adjustment of relations, but it is Japan who destroys all chance of this. China is not to be blamed but Japan!

Who Is China's Enemy?

Secondly, Mr. Murobushi asks: "Who is China's enemy—Japan or England?" In reply, the Chinese intelligentia wishes to point out that being a "peace-loving people," China wants peace. China makes an enemy of none, but makes friends with all, living up to the principle of universal brotherhood in the truest sense of the word! "四海之內皆兄弟也" (Within Four Seas Are All Brothers) is another teaching of the Chinese sages which the Chinese remember by heart. It is contrary to Chinese tradition and policy to make an enemy of anybody. So neither Japan nor England is China's enemy.

But the one who invades and occupies Chinese territory in gross violation of all international treaties, and in total breach of her pledges, is China's enemy. By waging the infamous "Opium War" with China and by forcing China to agree to many of her demands, England was once an aggressor and was once an enemy of China. But by the "O'Malley-Chen Agreement" through which England returned her concession in Hankow to China, by being the first one to present her credentials to the Nationalist Government right after the establishment of the nationalist regime in China, and by changing her policy to friendliness towards China, England has become no longer an enemy but a friend of China. By changing her policy to friendliness to China after the Washington Conference, and by returning Shantung to China, Japan once became a friend of China, after being an

enemy of China since the presentation of the "21 Demands" But by her military actions in China since September 18, 1931, Japan became again an emeny of China. So if this question is to be answered impartially, we are sorry to say that it is not the far distant Island Empire but the Island Empire of our own race and civilization that is China's enemy today! But it is not China who wants to make an enemy with her near neighbor, but it is her near neigbhor who wants to make an enemy of China!

"Setting One Barbarian Against Another"

Thirdly, Mr. Murobushi attacked the Chinese policy of "setting one power against another." It is quite useless for the Japanese to attack the Chinese in this respect. Japan adopted the same policy formerly. By the "Anglo-Japanese Alliance," Japan went to war with Russia. By a "Russo-Japanese understanding," Japan blocked America's open door policy in Manchuria. By a "German-Japanese understanding," Japan intends to prevent Russia from paying more attention to the Far East. In other words, Japanese policy is essentially "setting one power against another."

It is elementary legal ethics that one who goes to a law court to accuse another must have "clean hands." By analogy Japanese hands are no longer clean, so they have no right to accuse when China adopts the same policy.

Further, as stated before, the Chinese policy towards Japan is essentially a policy of "compliance" and seeking for peace and friendship with Japan. Under such circumstances it is quite absurd to think that China is "setting one power against another" or China would join with Russia to form "Sino-Russian co-operation," or China would join with England and America for "Sino-Anglo-American co-operation" or "Sino-Russo-Anglo-American co-operation" to oppose Japan. Just imagine, up to now, a Sino-Russian commercial treaty has not yet been concluded, not to speak of a Sino-Russian Non-Aggression Pact or a Sino-Russian Self-Defence Alliance, which is prerequisite to Sino-Russian co-operation to oppose Japan. So Japan needs not worry about it.

Japan of Today Different from Before

Fourthly, Mr. Murobushi asks: "Are your present leaders like the late Dr. Sun Yat-sen, the greatest leader of your country, who asked for cooperation from Japan with outstretched hands and who understood Japan and freely sought for help?" Our answer is that the Chinese leaders of today, like Dr. Sun have, always "stretched out their hands to seek for Japanese help." But unfortunately, Japan of today is materially different from Japan before when Dr. Sun was alive. Formerly, Japan—it must be admitted—did give much encouragement to the Chinese revolutionists. The "Kuomintang"[2] or the Nationalist Party was born in Japan. But today Japan expressly demands the closing of the Tangpu (headquarters of the Party) and the abolition of Kuomintang rule! The Japanese militarists in North China have launched bitter attacks on the Kuomintang administration and Kuomintang leaders, despite the fact that the Kuomintang rules China today with whom Japan is on friendly terms. Worst of all, the Japanese militarists in Peiping even tore into pieces Dr. Sun's portrait.

Ahother Appeal to the Japanese People

It is not my purpose to go into further argument with Mr. Murobushi. My purpose in writing this article is twofold:—First: to point out again to the Japanese people that China, which has hitherto exercised the greatest "forbearance" in face of many humilitations, has now lost her patience, as witness the many assassinations of pro-Japanese politicians and the nation-wide student demonstrations. All these are the natural consequences and reactions of the Chinese to the years of pro-Japanese policy or a policy of "compliance" which, instead of settling the situation, has only made the agressor more and more aggressive than ever before, and resulted in more losses of our national territories. The Chinese leaders have cautioned the people not to talk of "sacrifice lightly, until being driven to the extremity." The Chinese intelligentia believes that now the "extremity" is reached when China will fight with jaws set, in the manner of a beast at bay, and let all the centers of industry and commerce, all the centers of culture and education be razed to the ground by aerial bombardment, by heavy artillery—by the warfare of the twentieth century. Secondly, to call the attention of the Japanese intellectual class to the fact that peace in the Far East is now in a very critical stage; and to appeal to them, as educated men who prize and appreciate the value of human civilization more than anything else, to do what they can to save the whole situation before it is too late.

Being an ardent admirer of the Japanese nation, I join with Mr. Murobushi in working to "let the intelligent elements of Japan and China join hands and strive hard to protect and uphold Oriental liberty, the Oriental heritage, and the Oriental civilization! Let us go further in order to move the stage of world history to the Orient!" I have studied Japanese history, and I always conclude that the rise of Japan in less than 40 years (1856-1895) constitutes a "miracle" in Oriental history of which we, an Oriental people, should be very proud. So I always advise my follow-Chinese to study Japanese history and to learn more from Japan. The Chinese may hate the Japanese; the Chinese may start anti-Japanese activities, but the Chinese intellectual class hates and opposes only that portion of the Japanese who indulge themselves in aggression in China, but the Chinese intelligentia never hates but loves the Japanese people as a whole.

To the Chinese, the present situation—tense as it may be—is not without any solution. As stated before, China is most anxious to have peace with Japan. China is very sincere in this respect; and China has done what she could in this direction. This is a fact. The whole civilized world admits this! The only question is: What about Japan? The Chinese say: "解鈴還是繫鈴人" That is: the one who is to un-tie the bell was the one who tied the bell before; meaning that he who should close the incident is the one who started the incident. That is as Japan created a Sino-Japanese crisis, it is now up to Japan to close the crisis. Will the Japanese close or stop their aggression in China; and will Japan come to China with sincerity for peaceful negotiations for readjustment of relations? When all these questions are studied and answered, we find the "key" to the settlement of the Sino-Japanese crisis is not in the hands of the Chinese, but the Japanese. China wants peace with Japan, but the question is: Does Japan want peace with China?

Japan needs not worry about Chinese hatred. On the contrary, China is ready to forget all about their bitter experiences at the hands of the Japanese in the past. "既往不咎"—or let by-gones be by-gone in the West . . . another teaching from the Chinese sages which the Chinese remember by heart. Gen. Chiang Kai-shek, in his speech on foreign relations, says "it is not impossible that our foe of today may become our friends of tomorrow!" China wants nothing but the "abandonment of Japanese aggression in China" and China would be glad to make friends with Japan again!

Confucius once said: "過而能改是爲無過", meaning that if error is corrected, it is no error. The intellegentia in Japan has already admitted that "really Japan is not free from errors and impulses . . . . " It is now up to Japan to correct her past errors. It is not shameful to commit an error, as we are all human beings liable to mistakes, but it is very shameful not to correct one's errors.

In other words, the solution of the Sino-Japanese crisis would be at once found if the Japanese intellectual class at home could mobilize public opinion to bring the Japanese militarists . . . . only a small portion of the Japanese people . . . to reason and cause them to stop their aggression in China. China and Japan would at once become no longer enemies but friends as soon as both of them live up to the sayings of the Sages of the Orient. Rise up, intelligentia of China and Japan! Let us work untiringly to remove the cause of Sino-Japanese enmity! Let peace in the Far East be saved, a Sino-Japanese crisis be averted, and another great catastrophe to humanity be prevented through our joint efforts! Do you agree with me, dear Mr. Murobushi?

Nanking Christmas Eve, 1935.

Central Government to Remit $100,000 Monthly to Sun Yat-sen University

As a result of the recent visit to Nanking of Chow Lu, Chancellor of the Sun Yat-sen University, the Central Government has agreed to remit a monthly subsidy of $100,000 to the university.

The Central Government, also agreed to make an immediate payment of $1,000,000 for the construction of new buildings for the university, and $500,000 of this amount has already been remitted. The remainder is expected to be remitted before the Chinese New Year.

Settlement Courts Agreement to Be Extended for Three Years

It was announced at Nanking Dec. 30 that the agreement concerning Chinese courts in the International Settlement of Shanghai, which is due to expire in March, 1936, will be extended for another three years. Japanese reports that the Chinese Government was contemplating the abrogation of this agreement were ridiculed in authoritative circles in the capital. It is pointed out that, should the Chinese Government desire to revise or terminate the agreement, notice must be served on the interested Powers six months before date of expiry. Hitherto, the Chinese Government has not given any such notice.

Central Bank Audit Shows $167,733,610 Notes in Circulation

The audit of the issue department of the Central Bank of China made Dec. 21 showed dollar notes in circulation to a total of $151,862,880, which together with subsidiary coin notes of $15,870,730, made a total of $167,733,610, against which there were adequate cash and security reserves. Customs gold unit notes for C.G.U. 373,324.70 were in circulation, fully backed with the equivalent in gold bars.

The Genesis of the Students' Movement

(Written from Peiping by Edgar Snow for the New York Sun)

VARIOUS theories are being advanced to explain the origin and direction of the Peiping students' movement, which has now developed into a national patriotic movement of considerable ramifications. Japanese yen, Russian roubles, Kuomintang dollars and even American "gold" figure in the rumors afloat. Chinese officials, educational leaders, foreign diplomats and student mentors themselves, have offered opinions, with varying degrees of confidence.

Little agreement exists among the official elders, most of whom seem to be totally out of touch with the real leadership of Chinese youth, and whose views tend to be colored by their own prejudices in the matter, but among the students themselves there is remarkable unanimity and solidarity of opinion concerning both the causes and character of their movement.

Col. Tan Takahashi, Japanese military attache at Peiping, in an interview with the foreign press on Dec. 10, following the first demonstration, described the event as "very curious." He attributed it to the machinations of the "bad" Kuomintang, as distinguished from the "good" Kuomintang, acting in cooperation with "the Communists," among whom apparently no such distinction as good or evil was to be drawn. Col. Takahashi also held the opinion that educational officials and professors had led and encouraged the students. In his protest against the demonstration, delivered to the Chinese authorities, he is understood to have requested that the educational heads be "punished" for their complicity in the affair.

Foreign diplomats generally seem to regard the demonstrations as being purely "patriotic" in motive. They see no evidence of radical leadership in the movement, whose slogans and literature place greatest emphasis on nationalism and demands for a defensive war rather than on class struggle. Some old-time residents of China appear convinced, however, that the student leaders are receiving large amounts of silver from the "Bluejackets." One experienced observer offered the explanation, "on good evidence," that it was Japanese yen which were lining the pockets of the leaders of the agitation. His line of reasoning for this original thesis was this: students make trouble, create incidents; Japanese protest, make demands; schools, professors and students are obliged to move out of North China; peace and order are restored to the mass, who will then be given the autonomy for which they now yearn.

That well-evidenced speculation seems to fall apart, however, because while the students were vociferous in their demonstrations, they did not in any way molest a number of Japanese spectators, not even when members of the Japanese Embassy appeared at one of the gates and consulted with the police, giving them advice on how to handle the situation.

Students are Communists in Japanese Eyes

Chinese professors admit that following Col. Takahashi's first protest, Peiping's mayor called educational authorities into conference, told them that the students must be suppressed, or that the principals themselves would be held responsible. He pointed out that while a patriotic student movement would be difficult to break up without incurring popular displeasure, it would on the other hand be simply a patriotic duty to suppress a radical student movement. Ergo, he had proof that the student leaders were all Communists.

Only one of the chancellors is known to have acted on this hint. This was Li Ch'eng, of the Peiping Normal University, who has been prominently mentioned as a likely candidate for an office in the new Hopei-Council. According to professors of his school who attended the meeting, Mr. Li informed his hearers that the student leaders were all being paid "four roubles a day" for their activities. His suggestion that the movement could easily be stopped by arresting such rouble-takers does not seem to have made much impression on his subordinates, for none came forward with student names. This line of action also apparently informed the "open letter" issued to the students by Gen. Sung Cheh-yuan on Dec. 17. The Pacification Commissioner righteously pointed out that "innocent students" were being misled by Communist agitators. It was therefore his solemn duty to punish the dangerous elements, it apparently being far from his intention to shirk such duty even though the formidable menace constituted middle school boys and girls armed with leaflets and banners.

Authorities at Yenching, Tsing Hua, Peking National and other universities strongly resented the implications of Gen. Sung's statement, however. The purport of their comment to this correspondent was that such charges were "ridiculous" and "without evidence." One Yenching professor, known to be a staunch supporter of Gen. Chiang Kai-shek and the Kuomintang, typified in the following remarks an attitude which seems to be pretty unanimous in that university: "It is shameful to say that Communists are the only patriots left in China. If every Chinese who agrees with and supports the demands made by the students is a Communist, then let us hope that most Chinese are Communists. But it is not true. There are plenty of people left in China who can still love their country, and resist its destruction, without being paid by Moscow for doing it."

Inasmuch as most of the leaders are legally elected officers of student governments representing the entire student body, and the program of the movement is decided by these leaders, it is held improbable that "innocent" students are being unknowingly misled, since every action thus far taken is believed to have been approved in open student mass meetings. "If the students do not like the program of their leaders," one professor from Peiping University pointed out, "it is within their easy power to repudiate their present leaders." Professors at Yenching, who know their student leaders well, are ready to guarantee that the charges of the Japanese and Gen. Sung are entirely groundless.

"Communism is a convenient word to justify brutality and arrests," the correspondent was told by a professor of Peking National University. "The authorities imagine that any kind of misconduct on their part will be sanctified if they can accuse their victims of being Communists."

Announcement yesterday by the faculty members at Peiping University that a decision had been reached to support the students in telegrams addressed to both the Executive Yuan and the Ministry of Education puts a new and perhaps more serious light on the movement here. In its manifesto-telegram to these ministries the professors and lecturers of the Colleges of Law and Commerce emphasize the "purely patriotic" character of the demonstrations and sharply criticize the police for unnecessary cruelty. "In all history," one sentence in their manifesto reads, "this disgrace has occurred only in China." Their telegrams to Nanking conclude with a request that the central government "at once issue orders to the local authorities to stop their brutality."

Since this is the first official approval given to the students by their elders it is regarded here as highly significant. It is believed that the professors of other schools and universities, the mass of whom is thought to be sympathetic to the students' aspirations, will now be forced to take a more positive stand in the present critical situation. While it is unlikely that all other schools will follow the example of the "Pingta" faculty, it is believed that educational authorities will now find it virtually impossible to take any effective unanimous action for some time. Professors at Peking National University, for example, are known to have split into two groups on the issue. One clique supports the anti-strike position of Chancellor Chiang Mon-lin, while the the other is indifferent or openly hostile to it and friendly to the students, according to one faculty member there.

No Manipulations Behind the Scenes

Meanwhile, interviews with student leaders given little clue to any Machiavellian manipulations of student opinion behind the scenes. Inquiries reveal nothing but a common impulse toward a patriotic stiffening of resistance against the "foreign invader," and a common demand that Nanking guarantee students ordinary legal protection and extend to them the democratic rights of civil liberties.

Students of Tsing Hua, Peiping Normal, Peking National, Yenching and Northeastern universities have described the aims of their movement in much the same terms to this observer. Talking with casual groups of from five to 15 students, as well as with student officers, in each case there were stout affirmations that the demonstrations and the present movement were spontaneous in origin, patriotic in motive, backed by neither the Kuomintang nor the Communists nor the Japanese, arose in opposition to faculty wishes rather than in compliance with them, and that the students will resume normal studies when and if their petitions to Nanking have been satisfactorily answered.

Since the first demonstration, the student demands have assumed formidable proportions. They now include, variously, such things as abolition of the East Hopei autonomous council; the arrest of Yin Ju-keng; the immediate dismissal of Hsiao Cheng-yang, Wang I-tang and Liu Cheh; a guarantee that no Japanese will be employed as advisors by any Chinese government; cessation of civil war and active preparation for a war of defense; immediate restoration of all democratic civil rights such as freedom of press, speech, assembly and organization.

On one thing all observers as well as students themselves seem to be in agreement. That is that while the origins of the movement seem to be obscure, its national acceptance and development are such that it must soon take on a definite political character if its meaning is to be more than ephemeral. For this reason tendencies during the next few days will be closely watched in the former capital.

Wuhan Students Send Ultimatum to Nanking

(BY THE REVIEW'S HANKOW CORRESPONDENT)

FRUSTRATED in their first attempt to gain their objective, the duly appointed representatives of all students of the Wuhan area met in Wuchang on December 27 and deliberated on the future course of action. The counsel of moderation led to a compromise. The students agreed to return to their classes, providing the executive committee would agree to send an ultimatum to the Nanking government demanding that it declare its policy in the present Sino-Japanese issue in North China. In case no reply is forthcoming by the 1st of January the students will organize a monster demonstration as a protest against Nanking and all pro-Japanese officials. They hope to be able to make it hot for the newly appointed General Yang Yuen-tai, who is expected to assume the office of chairman of Hupeh province on that day. Furthermore, it is reported that the students demand the resignation of every pro-Japanese official.

Japanese Youth Injured by Chinese Student Mob

In spite of the express wish of the Hupeh Educational Commissioner, Dr. Chen Chi-pao, that the students refrain from participation in huge anti-Japanese demonstrations, the Wuhan students met in Hankow following the restoration of ferry communication with Wuchang. More than ten thousand students marched up and down through the native city in Hankow all day Monday, returning to their studies again on Tuesday. However, one incident marred the otherwise orderly procession of the students. On the bund near the N.Y.K. it is reported that they seized a Japanese youth who was trying to take a snapshot of the demonstrating Chinese students. His camera was wrested from him and in the scuffle that ensued that Japanese young man was injured and had to be taken to a hospital for treatment.

Japanese Authorities Demand and Receive a Written Apology

This unfortunate incident aroused the ire of the Japanese authorities and they demanded an apology for what had taken place. The Chinese authorities have sent in the necessary apology.

Japanese Hankow Daily Deplores the Student Demonstrations

Believing the student demonstrations to have been engineered by Reds, or at least inspired by them, the Japanese language "Hankow Daily" pleads for a saner policy on the part of the students in Wuhan. The paper goes on to elaborate the idea that the Reds must be behind the anti-Japanese activities of the students, and that the students were no doubt being handsomely paid for carrying on such pro-Soviet propaganda. We quote: "Such Red ideas that thus creep into the minds of the young students would be inexpressibly dangerous to Japan and to China herself. Therefore this sort of student meetings should be given serious attention and possible developments should not be treated with only boyish regard."

Older Clique of Hupeh Politicians Said to Be Behind Students

Rumor has it that some of the old guard politicians in Hupeh, opposed to the newly appointed chairman of Hupeh, General Yang Yuen-tai, have been seeking to use the student demonstration to further their own ends. It is an open secret that many of the older men were not pleased with the appointment, for they had hoped that some of them would land this much desired political plum. General Hsia Tou-oin, former chairman of Hupeh province who yielded to General Chang Chun, is still nursing his grudge against the Nanking authorities and longing to be back in the chairmanship, now that the latter has been promoted to the Ministry of Foreign Affairs. Others, too, seem to be eager to show their disapproval of the Nanking choice for the Hupeh chairmanship.

Kiangsi Students Demonstrate at Nanchang

In order to be in step with their fellow students in other parts of the country, the students of Nanchang, ten thousand strong, organized a huge mass domonstration on December 27. The monster parade was conducted in an orderly fashion and no untoward incidents developed. Patriotic slogans were shouted and challenging statements made with regard to the "Autonomy" movement in North China. Leaflets protesting the seditious nature of the East Hopeh government were distributed by the patriotic students.

Wushih Publishers Suspend Dailies

Out of sympathy with the student movement and because the local Gendarme Headquarters has placed a ban on the publication of news about the student movement, the local publishers have decided to suspend publication of their journals beginning the 28th December.

Gen. Ho Chen-chun Advises Students

Advising the students of the Wuhan area to return to their studies, Gen. Ho urges them to prepare themselves for useful positions in the life of the nation rather than waste their time shouting patriotic slogans. In an open letter to their students published on Dec. 26 he urges the youth of China to apply themselves to the task of acquiring knowledge: Knowledge is the staff of life and students are the life of the country. Why should we be so foolish as to forsake the staff in order to cry for the salvation of the country?"

New Ferry Hankow-Wuchang

The Chien Yang, the newly completed ferry built for the Hankow-Wuchang run, will make its maiden trip on the first of January, following the inauguration of the new provincial government in Wuchang. The ferry is of the latest style and built by the Kiang-Han Ship Building Co.

Rendition of Kuling Estate to Chinese

G. S. Mose, H. M. Consul-General in Hankow, acting on behalf of the other foreign nationals as well as for the British, left for Kuling where the rendition of the Kuling Estate will take place on the 1st of January 1936. Members of the council residing in Hankow also left for Kuling last Friday in otder to be present at this historic moment, when the Chinese formally take over the Kuling Estate. For seven years there will be an advisory council chosen by the landrenters at their annual meeting. While some are a bit apprehensive as to the result of this latest move on the part of the Nanking authorities, the great majority have deemed it wise to relinquish all rights to the Chinese and trust them to give every one a square deal.

Gen. Shang Chen, New Chairman of Honan

With the assumption of his new office as chairman of Honan province, on New Year's day Gen. Shang Chen, will pursue a policy in close harmony with that of Nanking. The former chairman, Gen. Liu Shih is being given a new job, that of Pacification Commissioner for Honan and Anhui provinces, with headquarters at Sinyang, southern Honan, on the Hankow-Peiping railway line.

Gen. Ho Chien Goes to the Front

In a determined effort to rid Hunan province of Reds, Gen. Ho Chien has done two things. In the first place be has mustered enough courage to dismiss several army commanders whom he thinks loafed on the job of supptessing the reds, including Major-Generals Yen Kuo-tao and Chiang Sheng, and Colonel Tsao Shui. In the second place he has actually gone to the front to direct troops against the fleeing Reds. According to latest reports, the Reds under Ho Lung and Hsiao Keh are fleeing in the direction of Wuyang in Kweichow. There does seem to be some fighting in the neighborhood of Wukang, a city in southwest Hunan province.

Flood Relief of $4,000,000 Granted Hupeh

The government at Nanking through the Ministry of Finance has granted the Yangtze River Conservancy Commission a sum of $4,000,000 for completing the repair on dikes in the three provinces of Hupeh, Anhui, and Kiangsi. It is hoped that the main part of the repairs will have been completed before the annual spring rise late in May or the first part of June.

Nanchang to Have Broadcasting Station

In the not distant future a two.kilometer transmitter will be installed at Nanchang, Kiangsi, and the Red-harassed province of Kiangsi will have its first broad-casting station. The building of this station is a joint effort on the part of the Generalissimo's Provisional Headquarters and the Kiangsi Provincial Government, one of the most progressive in the country.

Christian Broadcasting Society Organized in Wuhan

In ordey to facilitate the broadcasting of gospel messages in the Wuhan area the Hupeh Christian Council Preparation Committee has appointed a committee of five to organize the organize the Wuhan Christian Broadcasting Society. Paul R. Sung, Y. M. C. A. secretary, is the chairman of the new committee, the other members being: Miss A. Stewart, American Church Mission, Rev. Shen, District Superintendent of the Methodist Mission, Rev. Stephen Tsang, Rector of St. Paul's Cathedral, and Dr. Ralph Mortensen, Chairman of the Hupeh Christian Council and General Secretary of the Lutheran Board of Publication. The programs will be broadcasted by the municipal station XGOW, beginning January 1st, 1936.

Hankow, Dec. 30, 1935.

Captain Carlson Heads Marine Detachment Guarding President Roosevelt

Captain Evans F. Carlson, U. S. Marines, formerly on duty in Shanghai and Peiping, last month received orders to organize a detachment of Marines and go to Warm Springs, Georgia, for the purpose of guarding President Roosevelt. Capt. Carlson was given two lieutenants (one of them, Lieut. Hussa, recently in Shanghai) and 65 Marines.

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JAPAN PLANS EXTENSION OF INFLUENCE TO SUI-YUAN; CHOW LU PRAISES GEN. CHIANG'S NEW REGIME

(*Continued from page 158*)

chung, Chairman of the Shansi Provincial Government, and other officials visited the General at the hospital Dec. 27.

GENERALS LI TSUNG-JEN AND PAI TSUNG-HSI GIVEN NEW POSTS

At its weekly meeting Dec. 31, the Executive Yuan appointed General Li Tsung-jen, Commander of Kwangsi forces, concurrently Commander-in-Chief of Communist-suppression Forces for the Hunan-Kweichow Border, with General Pai Tsung-hsi as Deputy Commander-in-Chief.

Reorganization of the Honan Provincial Government was affected at the same meeting. The following were appointed members and concurrently heads of the Departments of the Honan Provincial Government, Li Pei-chi, member and concurrently Commissioner of Civil Affairs, Yu Yen-hsien, member and concurrently Commissioner of Finance, Chang Ching-yu, member and concurrently Commissioner of Reconstruction, and Cheng Fong-hsien, member and concurrently Commissioner of Education.

The Executive Yuan further decided to elevate the staust of Kaifeng to that of a municipality under the direct control of Honan Provincial Government.

NEW CHIEF-OF-STAFF FORMALLY SWORN IN OFFICE

General Cheng Chien, the newly appointed Chief-of-Staff of the National Army, was formally sworn in office Dec. 30 at the National Government House. The ceremony was presided over by President Lin Sen, who handed over the seal of office to General Cheng. General Li Lieh-chun, member of the C.S.C., administered the oath on behalf of the Central authorities.

Li Shen-wu, former Director of the General Affairs Department of the Ministry of Foreign Affairs, has been appointed adviser to the Ministry. Some changes have also been made in the staff of the various departments. According to a cable received by the Ministry Dec. 28. Mr. Li Hao-chu, newly appointed Chinese Consul.General in Manila, has assumed his office.

SHANGHAI POLICE AND PUBLIC WORKS COMMISSIONERS RESIGN POSTS

Both General Tsai Ching-chun, Police Commissioner and Shen Yi, head of the Bureau of Public Works of the Municipality of Greater Shanghai, have resigned, the reason for their resignation being unknown, according to a *China Press* report Dec. 30. They have, however, been strongly persuaded to carry on by Mayor Wu Te-chen.

Thousands Attend Tu-Cheng Wedding in Shanghai

One of the biggest Chinese weddings took place in the Sun Sun Hotel, Kweichow Road, in the afternoon of Dec. 28, when Tu Wei-fan, eldest son of Tu Yuen-sen, prominent Shanghai merchant and President of the Chung Wai Bank, and Miss Cheng Yen-ying, were married in the presence of thousands of friends and relatives, including many high government officials. Among the government officials who called to offer their congratulations were Gen. Yang Hu, commander of the Peace Preservation Corps, Dr. Wellington Koo, Wu Hsing-ya, Pan Kung-chien. Brilliantly illuminated, the ball-room of the hotel was the scene of a mass of red silk scrolls bearing congratulations, presented by Mr. Tu's friends and relatives. The wedding took place at 4.30 p.m. with Gen. Wu Te-chen, the Mayor of Shanghai, and Yu Ya-ching, the shipping magnate, officiating at the ceremony. The bride was was beautifully gowned in a white satin dress and she carried a bouquet of flowers. The two bridesmaids were Miss Ting Zing-ying and Dzung I-mei, while the maid of honour was Miss Jane Chang. The Misses A. Chang and B. Chang, who were twins, acted as flower girls. Kuo Shan-teh attended as the groom's best man. After the ceremony, a reception was given in the Sun Sun Restaurant, attended by thousands of guests. Peking theatrical performances by such famous actors as Mei Lan-fang, Chen Yen-chiu, Li Wan-chun, etc., were given at the Sun Sun Co.'s roof garden for the entertainment of guests from the evening until the following afternoon.

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I Will Go to Ethiopia

BY LIN YU-TANG

(in China Critic)

THE greatest mistake in my life was not to go to Japan to study. As a returned student, I cannot be properly classified. After all I only studied one year in America doing postgraduate work and burying myself in the library, without having any taste of American undergraduate college life. I call myself a student from Harvard, although I did not witness even one football match between Harvard and Yale, which is of course an essential part of any Harvard or Yale education. But that is beside the point: I wanted to say that the greatest mistake in my life is not to be a Japanese-returned student, thereby forfeiting all chances of serving my country now. Curiously enough, almost all the Chinese newspepers mentioned the respective Japanese schools at which the different new Cabinet ministers studied, when they reported the list of the newly formed Cabinet. To-day one can say the Chinese Government is completely dominated by Japanese-returned students, and we have a greater majority of Japanese returned students in the new Cabinet than in any other previous one in China's history. Of course, I know I am not born to hold any portfolio, but I mean any-one who wants to serve his country in any small way now must have a complete command of the Japanese language, and the Japanese language is so atrociously difficult. It is too late for me to pick it up now, for I would have to start from the Japanese alphabet.

There are two ways open for me now: one is to go to Japan if I want to serve China, and the other is to go to Abyssinia and be a naturalized Abyssinian subject, if I want to be a recluse.

I suppose I shall never be any good now trying to enter a Japanese "short-cut normal school", for as everyone knows, a man in middle age is never any good at learning languages. Honestly, I don't even know the ABC's of Japanese writing, and if I go into an ordinary primary school in Japan, I shall always feel a little bit out of place sitting side by side with Japanese school children. I can't carry a satchel and go to school every morning now, can I? And if I don't, what good will all my learning do? Can I understand the spirit of Japanese people without any knowledge of the Japanese language? And can I understand the spirit of Peace in white wings hovering over the Orient without understanding the spirit of Japan? Of course I have my Anglo-Saxon and Continental education, but that will be a hindrance, rather than a help, in the work of serving China. I think I have got as good a Western training as most of the Western-returned students, but what good is all one's Western training when it conflicts with the age-old Chinese tradition and actually prevents one from seeing what the Japanese militarists call the "realities in the Far East"? T. V. Soong doesn't know the realities of the Far East, and Washington and Downing Street all don't know the realities of the Far East and how can I, who am ignorant even of the Japanese alphabet, know and appreciate the full import of such "realities"?

So going to school in Japan is out of the question for me. I suppose the next best alterhative is to take a kind of university extension course in Japan. I mean the kind of instruction given to intelligent grown-ups who want to make up for the education which they missed in childhood. I am sure that there are many Japanese colleges which will be willing to help me. But I confess there is a difficulty. Honestly, I have been lecturing at people for the last fifteen years, both in the universities and outside, and I don't like to be lectured at now in my fortieth year. I don't think I can stand it. I was never a good student anyway and always wanted to stand up to ask the teacher very awkward questions. There were the teacher's rod and the marks and the grades for good conduct which successfully prevented me from standing up and asking questions, so that I asked probably only one hundredth of the questions I wanted to ask. But I imagine at the university extension courses for grown-ups there will be no teacher's rod and no marks and no grades for good behavior, and I really cannot trust myself as to how I am going to behave in the classroom. Actually I will be standing up every five minutes to pester the lecturer with all sorts of questions until he has to put me out of the classroom. Probably the lecturer will be more polite and give me a gentle warning as follows: "Now, Lin Yu-tang, if you don't stop asking questions I am afraid I shall have to show you the door." Of course when that happens, I will leave gladly of my own accord.

There is a third possibility, however. I can organize and head a delegation of Chinese professors and educationalists and journalists to Japan and conduct a tour of study and social research, with the avowed aim of studying the cultural co-operation between China and Japan as the basis for a truer and more sincere Sino-Japanese political co-operation, which is again the basis for peace in Asia and consequently also for peace in the world. Now really such a scheme is not entirely impossible. Two of our bankers who conducted tours of inspection in Japan this summer turn up now in the new Cabinet in Nanking. Of course there is only one portfolio for education but there are more ways than one in which we serve the country in the educational field. There will be plenty of posts in the Provincial and Municipal Bureaus of Education, and I am quite sure such a delegation of Chinese educationalists to Japan will find on their return that their labor will be richly rewarded. Good Lord! Who knows but that a knowledge of Japan will serve us anywhere in China now, and not only in the Bureaus of Education. By and by anybody working in a tangpu, if there will be any tangpu left at all, will have to show either some Japanese school certificate or some experience in connection with Japan. That is why all our prominent militarists are sending their sons to Japan for education.

But I realize that I am the last man to organize, much less to head, such a delegation. For one thing—I do not know whether the Japanese Consul in Shanghai will give me a visa and even if he will, I do not know whether I will be allowed to land in Japan without receiving the most careful attention. So after all I think I cannot serve my country, and I must go to Abyssinia.

To be or not to be an Abyssinian, there's the rub. Of course the climate is horrible and there are mosquitoes and malaria. Nevertheless I am beginning to like the curly hair of the niggers now. Gee whiz, when I saw pictures of these niggers aiming their guns or even holding simple weapons of war, reminding one of the Middle Ages, I confess I had a profound admiration for these niggers. I felt like kneeling on the ground and bowing to Emperor Haile Selassie when I saw him on the screen. I don't mean his looks, for he looks a little bit comical on his white horse, owing to the strangeness of his costumes. But after all, I said to myself "There is a man!" Yes, there is a man,and there is a nation of human beings with some sense of self-respect who are not experts at the art of kowtowing and who for all their backwardness of culture, gain my sincerest respect. I want to become a naturalized Abyssinian. I know that when I go to America or Europe as an Abyssinian, I shall be less ashamed of my country.

Court Rules Against Ex-Banker Raven's Request for Jury Trial

A motion for trial by jury was filed Dec. 28 with the United States Court for China on behalf of Frank J. Raven and J. Warner Brown, officials of the defunct American-Oriental Finance Corporation, who were scheduled to stand trial Jan. 4 on a series of criminal charges arising from the failure last May of the several Raven concerns.

Shortly before this motion was handed in to the court, District Attorney Watson, and his assistant in this case, Dr. George Sellett, preferred a series of new charges against Mr. Raven and Mr. Brown. These charges, 16 in number, allege theft, embezzlement and fraudulent misrepresentation against the defendants in their respective capacities as President and Vice-President of the defunct American-Oriental Finance Corporation, whereas the 15 charges previously preferred, which are not expected to be proceeded with, alleged only embezzlement of stocks.

A noteworthy feature of the new series of charges is that they exclude the third defendant, Alfred H. Driscoll, who was secretary-treasurer of the A.O.F.C. and charged together with Messrs. Raven and Brown in the first information filed by the District Attorney.

The first of the new charges brought against the two defendants alleges the embezzlement, on or about Dec. 18, 1933, of a draft for U.S. $11,553 in favor of Lucian Claude Marie Bassett, drawn on the Irving Trust Company, New York, by the Shanghai office of the Banque Franco-Chinoise pour le Commerce et l'Industrie. The second charge alleges embezzlement of money from Mr. Bassett in the amount of the draft. The third charge alleges theft of the draft.

In the fourth charge it is alleged that the defendants did "feloniously and with intent to defraud one Lucian Claude Marie Bassett falsely pretend and represent to him, and cause to be falsely pretended and represented to him, that the American-Oriental Finance Corporation Fed. Inc., U.S.A. had, on or about Dec. 16, 1933, purchased for the said Lucian Claude Marie Bassett 100 shares of stock of the American Telegraph and Telephone Company, of the reasonable worth and value of U.S. $11,553," represented by the aforesaid draft, "whereas in truth and in fact the said American-Oriental Finance Corporation Fed. Inc., U.S.A. had not purchased" the aforesaid shares.

Fraud in regard to Mr. Bassett is also alleged in the fifth charge, which deals with the supposed purchase of 500 shares of A. T. and T., 200 shares of Western Union, and the alleged sale of 200 shares of A. T. and T. and 100 shares of Western Union between Dec. 16, 1033 and May 31, 1934, through E. A. Pierce and Co., New York City; and further, that in consequence of these supposed deals, Mr. Bassett paid to E. A. Pierce and Co. U.S. $10,000 to establish an additional credit balance with the American-Oriental Finance Corporation, which was to be used for the purchase of other stock.

The other charges are of a similar nature.

At the sitting of the Court Dec. 30 counsel for the defendants argued at length in support of the motion for trial by jury, referring incidentally to the Ross case decided in Japan in 1880, at which time extraterritoriality was in force in Japan. Counsel argued that what was impossible in Japan in those days with a

small population was not impossible in Shanghai where there are now 800 Americans eligible for jury duty.

Judge Helmick upheld the arguments against the motion made by Dr. George Sellett, special District Attorney, in an extempore decision to the following effect:—"Because of the limitations of time and the necessity for a prompt ruling on this motion, it is, of course, impossible to write, or even attempt to state, a reasoned opinion on this question. If I had been the first judge of the United States Court for China, and this argument had been presented 29 years ago, there would be no limit of time preventing me. But, after 29 years of settled policy, I do not feel that I should make any ruling lightly, in off-hand fashion, which would up-set that settled policy. If we have been mistaken all these years, I think correction should come from our Courts. It seems to me that there are plenty of precedents in this Court which suport the propositions advanced by the Government. Any judge, I think, would prefer to divide responsibility with a jury in a criminal case, but that is not of persuasive force in passing on this question, which is one purely of law. I am sure that although I agree to a great extent with the view of the Government, no extemporaneous expression will contribute anything to the law on the subject or be of much importance. There has been an established and unquestioned policy which is not likely to be departed from. I shall therefore over-rule the motion, noting the exceptions of counsel for the defendants."

THE GIST OF JAPANESE PRESS OPINION

Japan's policy on disarmament is so unalterably fixed because she believes in its fairness and justice, that she is prepared to suffer a breach of the conference if necessary. During the fortnight's session, the Japanese delegates spoke most. This shows the presence behind them of national power stronger than in the past.—*Tokyo Miyako.*

The Anglo-American and Japanese stands assumed on disarmament are as sharply conflicting as before and there seem to be very meagre prospects of the London Naval Parley resulting in any substantial agreement. Japan's policy is such that she must be expected to insist thereon to the last.—*Tokyo Chugai.*

If China would readjust its relations with Japan, by liquidating its traditional but inappropriate Occidentalism, it should be expected to show its sincerity, to begin with, by suppressing the students and anti-Japanese agitation now spreading in different parts of the land.—*Tokyo Miyako.*

A new government has indeed been created in North China, but in no such form as might warrant any optimism on the part of Japan as to the future of Sino-Japanese relations. For the new Government still contains Kuomintang elements. Japan must stand on guard as to its future policy. —*Tokyo Nichi Nichi.*

Judging from the attitude of General Chiang Kai-shek, as noted during his recent interview with Ambassador Ariyoshi, the Nanking Government, as recently reformed, is no less indifferent to the Sino-Japanese cause than before. One serious fact in this context is the presence of Soviet influence.—*Tokyo Chugai.*

More than 3,000 military officers and men have been recognized for their distinguished services during the Manchurian incident and Shanghai hostilities. This is quite right and natural. Only it must be borne in mind that these incidents are not yet finished in reality and that they need more patience. —*Tokyo Nichi Nichi.*

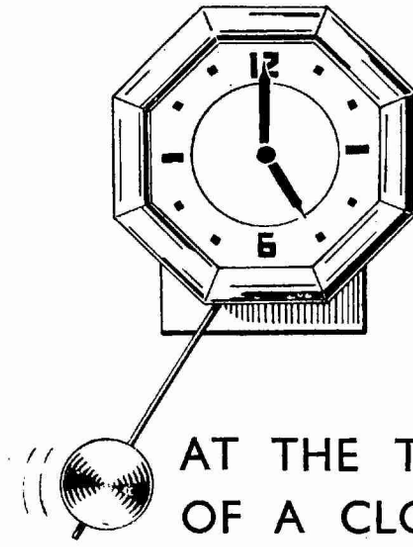
The recent breach of the Manchu-Mongolian parley at Manchuli and the advance of North China autonomy movements seem to have caused Soviet-Mongolian rapprochement. This state of affairs deserves the very serious attention of this Empire as likely to divide the Far East into two ever opposed blocs.—*Tokyo Nichi Nichi.*

Whoever has been carefully observing Soviet Russia's currency administration will not fail to notice the gradual yet steady change of its currency system from communist into capitalistic and even State socialistic complexion.—*Tokyo Hochi.*

The smaller commercialists' and industrialists' financial distress, farmers' difficulties and preponderance of defence estimates are all due to the question of over-population in this this country. No economic policy of any political party can correct this unless it gives a solution to the problem.—*Tokyo Jiji.*

It is a fact that the Cabinet system created some fifty years ago in this country has contributed much to the development of this nation. The present celebration of its fiftieth anniversary is a good occasion for all to reconsider whether they are making really the best of the Cabinet system.—*Tokyo Nichi Nichi.*

The Seiyukai is likely to introduce a nonconfidence vote against the Okada Ministry upon the resumption of the Diet session after the New Year recess. This means an early dissolution of the Diet. So far so good. We only hope the Government will give the Opposition full chance of speech before dissolution.—*Tokyo Miyako.*



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Secret Informers and Spies in Harbin

BY THE REVIEW'S HARBIN CORRESPONDENT

SECRET informers, stool-pigeons and spies are feeling a little uneasy—the Manchukuo press, led by the *Harbin Times*, is on the war-path against this species. Nowadays, one seldom finds something encouraging in the press, and therefore it is a surprising piece of news that the press has at last taken up the hard task of amending the activities of this thriving community, informers, stool-pigeons and spies *per se*. The activities of these gentlemen have grown beyond the bounds of all decency, so that for all lovers of justice it is a welcome piece of news indeed. If the press reports are correct, this profession—or whatever is its name—appears to be especially widespread amongst White Russians, a section of the population which has every reason to be proud of its culture and glorious past. Yet the facts, hard facts, speak otherwise.

When discussing this subject, the press overlooked the cause of this vile and dirty profession—the policy of "certain" institutions to encourage free-lance spying, which they do—as admitted here freely—by paying monetary emoluments for any information irrespective of whether it is true or wrong. All reports are said to be welcome no matter whether they concern a private person or a public body. In common parlance, this may be expressed thus; "If a feller is hard up for a fiver ($5.-), he'd go and see Mr. So-and-So." To earn this "fiver" is said to be the simplest of all; just come and tell what you know of your neighbor, his mode of living, friends and habits. All this information is carefully recorded, checked and filed away for "future use", it is said. But let us hear what the *Harbin Times* has got to say on this subject (an editorial comment in the issue for December 1);—

"On several occasions we had an opportunity to call the attention of the public to the activities of secret informers, slanderers, intriguers and other species of *agents provocateur*, and to the necessity of waging resolute war against them.

"Circumstances compel us to raise this question once again; we draw the attention of the Russian community to the exceptionally vile and harmful activities of these persons, the results of which appear to be beyond the bounds of all imagination. We are compelled to do so because these activities (that is, widespread spying) show signs not of diminishing but on the contrary of growing still further.

"These activities injure the interests of the State, the authorities and the Russian community, and undo the very bright ideas underlying the foundation of Manchukuo.

"An informer, who brings groundless information, is a *saboteur*, whose purpose is to hinder the authorities by taxing their time and energy on the investigation of groundless tipping They cause undue suffering to innocent persons, which cannot fail to instil hatred and disaffection in the minds of those injured towards the Empire and its authorities.

"We know many cases of flooding certain institutions by these informers with reports concerning certain persons or even public bodies. All these informers, willfully impeding the activities of the authorities, should be branded as 'public enemies No. 1.'

"In a sense, their offences are even graver than those of bandits, and other criminals. The population ask us to influence the authorities to mete out the heaviest possible punishment on those tippers whose information proves groundless. Indeed it is high time to punish these reptiles."

The paper saw fit to publish further comments on this subjec, in its issues for December 2, 5, and 6, from which it appears that tipping the authorities with surreptitious information on friendt or acquaintances has grown into a sort of social disease. Unscrupulous persons, desiring to earn a few dollars or mete out punishment on their enemies, take recourse to tipping the authorities concerned with false information, which no matter whether the report is correct or not brings the desired effect—a domiciliary search of the victim's residence and his eventual arrest. Then comes a long and tedious investigation by the authorities with a view to substantiating the evidence tipped against the person, during which period the victim is kept under arrest with all its consequences—mental and physical pain and loss of employment.

These poor Russians appear to be virtually at the mercy of these tippers; not infrequently, they, in cooperation with the police thugs, named "detectives," organize frame-up cases, from which there is virtually no escape. Recent wholesale arrests of Russians, Manchukuans and foreigners in Harbin, Mukden and elsewhere are largely due to the activities of these free-lance spies and their allies, the "detectives."

The evil has grown beyond the bounds of all imagination. All persons interviewed in this connection by the *Harbin Times* agree to this. Dr. S. K. Shashin said that false tipping has grown into a major social disease and could be got rid of only by surgical operation.

"Spiritually, the Russian community has gone worse," he said. "Hard times and difficult living have caused some of us to slip into the abyss of despondency. If the Russian emigres will not pay immediate attention to this social disease and eliminate from their midst persons habitually engaged in groundless tipping on their neighbors, then there is no hope for them to play any role in the future of Russia. All these informers must be exposed and ostracized. There is no place for them amongst decent people. They are, in a sense, *saboteurs*, and as such they deserve the heaviest possible punishment." (Quoted from the issue for December 5).

Dr. C. I. Tarnowsky, also interviewed by the *Harbin Times*, said "If the information is anonymous, it is usually destroyed or thrown into a waste-basket. I hope the authorities pay no attention to anonymous 'tipping'. But if the report is signed, it is the right of the authorities to institute a thorough investigation of what is stated in the report. If the report proves groundless, the informer must take full responsibility and be punished according to law." (*cf. ibid.*).

Thus, the welcoming by certain authorities of confidential reports on all and sundry subjects has produced an unexpected result—they are being "flooded" with such reports, so much so that they are now obliged to cry for a halt, using the columns of the *Harbin Times*. Evidently, the "flood" is so big that the authorities have no means of investigating each and every "tip" carried in these reports.

There seems to be nothing sacred for these "tippers." They spy on everybody, irrespective of the age, sex or nationality of the victim, and try to ferret out whether he or she is not engaged in activities inimical to peace and order in Manchukuo. The slightest criticism of Manchukuo and its institutions is apt to be magnified into a revolutionary utterance, which with the cooperation of a "detective" may be exploded as a "case" or be used as a good chance for extortion (in this respect, the Harbin detectives have an unsavory reputation dating back a long time).

If the purpose of the *Harbin Times* in raising this question is to amend a social evil, it is an honorable task, worthy of all praise. It is hoped that the journal will continue its fight in this direction, fearlessly revealing all that is hidden in this filthy occupation, for the growth of which "certain" authorities appear to be more responsible than anybody else.

Harbin, December 26, 1935.

Dr. J. Colbert of Tientsin Charged with Attempt to Poison His Wife

Dr. John Colbert, a well-known American medical practitioner in Tientsin is charged with attempting to poison his wife, the former Mrs. Hovey, widow of the late prominent tennis player and official of the Standard-Vacuum Oil Company. Mrs. Colbert has been a patient in the hospital in the northern port for a long time. She is understood to have been suffering from heart trouble. The *North China Star* published an interview with Mrs. Colbert, who ridiculed "this outrageous charge against my husband." His present wife is his third.

Japanese Colonel Praises "Bluntness" of Cantonese

Colonel Hiroshi Nemoto, chief of the Press Section of the Japanese Ministry of War, on returning to Canton from Nanning Dec. 27, sang the praises of the "bluntness" of South-western leaders. "Out here they don't use fine phrases and subterfuges as they do up in Nanking," he said. "It's 'yes' or 'no,' which makes things much simpler." In Nanning, Colonel Nemoto continued, he met and talked with General Li Tsung-jen, Pacification Commissioner for Kwangsi, and General Pai Chung-hsi, Chief of Staff of the Fourth Group Army. The prosperity he saw in country villages, he claimed, "cannot be equalled anywhere else in China."

"A Korean Could Not Be Treated as Mr. Simpson Has Been"

(*From the Japan Chronicle*)

Apparently the case of E. Lenox Simpson is closed. To a question raised in Parliament, the reply was given that the Manchukuo Government had refused to admit his claim, and that nothing more could be done. Actually, of course, a good deal more could be done, and whether it is not worth while in any particular case is a question over which there will be good deal of difference of opinion. It is certainly bad in principle to allow an injustice to be done to a national without a very emphatic protest, and in Manchuria the circumstances are peculiar. A Korean, for instance, could not be treated as Mr. Simpson has been.

Italians Make Strategic Withdrawal---A Huge Deficit

A deficit of 2,030,000,000 lire is recorded in the final figures for the financial year 1934-35 which were made public in Rome Dec. 30. The war against Ethiopia is estimated to have cost thus far the sum 20,000,000 lire daily.

Il Duce explained the military situation in Eritrea to the Rome Cabinet Dec. 30 and said that an early and rapid advance necessitated an extensive reorganization of communication facilities and the transport of about 100,000 soldiers and workers.

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—*By Orr in the Chicago Tribune*

In the meantime the main line of the Italian defence on the Takaze sector has been withdrawn strategically as a result of the recent Ethiopian drive.

Italy's war industries have been placed under a commissariat controlled by General Dallolio, communique, issued in Rome Dec. 30. referring to sanctions, declared that there is no need for special legislative measures being taken by the Government in view of the high civic patriotism of all classes of the people. It also declares that Italian Eritrean troops displayed superb and daring courage in the recent engagements against the Ethiopians on the northern front.

Oil Embargo Not Likely to Eventuate

A *Reuter* telegram from Rome Dec. 29 stated that there was a general belief in the Italian capital that an oil embargo is out of the question; as a result the situation is less tense than it had been for some days, and Italy is adopting the role of a spectator in London and Paris.

Abyssinian Terms of Peace Include Withdrawal of Italian Troops

Semi-official sources in Addis Ababa Dec. 27 made known the terms upon which Emperor Haile Selassie would be prepared to accept peace.

Five in number, the conditions are said to be:

1. Complete withdrawal of all Italian troops from Ethiopian territory.
2. Payment of an indemnity by Italy.
3. Recognition of Abyssinia as a sovereign state by the Powers.
4. Demarcation of frontiers by a commission appointed by the League of Nations.
5. Abyssinia would seek foreign advice in the economic, financial and administrative spheres, but Italian officials would not be accepted.

Although the indemnity demand might be waived, nothing short of a total defeat would cause the Emperor to weaken in his other demands, *Reuter's* special correspondent was told.

⁂

Italian General Staff Says 400,000 Men Necessary to Conquer Ethiopia

(*From "Washington Merry Go Round"*)

Italian claims of victory in Ethiopia should be taken with a generous helping of salt. So far, Mussolini's men have not entered the peak-jagged central plateau, and have been relatively unopposed. In reading all reports from the front, it is important to keep in mind the first report made to Mussolini by the Italian General Staff. It specified that the conquest would require 300,000 to 400,000 men, would cost a minimum of about 750,000,000 lire a month, would require a minimum of two years followed by guerilla fighting for an indefinite period. Mussolini had figured on only 70,000 men and an expenditure of 250,000,000 lire monthly.

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Nanking Ready for "Fundamental Readjustment" of Sino-Japanese Relations

It has now been confirmed in Chinese official circles in Nanking Dec. 30 that a proposal for the fundamental readjustment of Sino-Japanese relations, through proper diplomatic channels, has been put forward by the Chinese Government to the Japanese Government, which is said to have expressed agreement in principle. The matter, however, is yet confined to a preliminary exchange of opinions between the Chinese and Japanese Foreign Offices, and no discussions concerning a concrete plan or any particular question has taken place. The Chinese authorities are said to be anxious to remove the utter confusion and irregularities that have characterized Sino-Japanese relations since the Mukden incident of 1932. The many and various questions that have arisen during the past four years have, it is admitted, been dealt with in a makeshift manner which met only pressing matters of the moment.

This lack of adequate consideration for a fundamental settlement is regarded as having culminated in a state of affairs detrimental to the welfare of both China and Japan. The present moment being deemed opportune, it has, therefore, been seized upon to bring about the desired readjustment and to place the condition of Sino-Japanese relations on a proper diplomatic basis.

A *Rengo* message from Tokyo Dec. 29 stated that the Nanking Government's proposal to initiate negotiations on the readjustment of Sino-Japanese relations was frowned upon by the Army on the ground that the conversations would have an unfavorable effect on the situation in North China, which is "showing favorable progress." The proposed formation of a body to negotiate on the issue, Army circles asserted, was also inadvisable as long as "the present relations between General Chiang Kai-shek and the Kuomintang remain unchanged." The Kuomintang, military circles said, had "steadfastly pursued an anti-Japanese policy," and the attempt on the life of Wang Ching-wei, former President of the Executive Yuan, and the assassination of Tang Yu-jen, former Foreign Vice-Minister, "show that it has no sincere desire for a readjustment of Sino-Japanese relations." Should the Nanking Government, they emphasized, "sincerely desire" a re-orientation of its policy towards Japan, through the solution of all pending issues, it must first put an end to the anti-Japanese activities of the Kuomintang. The Nanking Government's proposal to negotiate on the readjustment of Sino-Japanese relations was communicated to Mamoru Shigemitsu, Vice-Minister for Foreign Affairs, by C. K. Ting, Chinese Charge D'Affaires in Tokyo on Dec. 27.

Mr. Ting informed Mr. Shigemitsu that General Chiang Kai-shek, and General Chang Chun, Foreign Minister, are ready to begin negiotations at any time suitable to the Japanese Government. The proposed negotiations will be held in Nanking, the Nanking Government being represented by General Chang Chun. The Chinese authorities (according to *Renoo*) are also ready to form subcommittees, which will discuss the details of a plan for the promotion of Sino-Japanese friendship and for the solution of the outstanding issues between the two nations.

In his reply Mr. Shigemitsu stressed that the proposed conference must have as its main topics the discussion of Foreign Minister Koki Hirota's "three-point program" and the solution of Sino-Japanese problems. Japan's proposals, he added, will be formulated in the light of reports to be made by Yakichiro Suma, Consul-General in Nanking. Mr. Shigemitsu also pointed to the spread of the student movement in China and the attacks on Government officials who are regarded as pro-Japanese as being "not quite clear" to the Japanese Government.

London "Times" Says Murder of Tang Yu-jen Will Not Improve Sino-Japanese Relations

The murder of Tang Yu-jen, formerly Vice-Minister for Foreign Affairs in the Chinese Government, is no more likely to improve Sino-Japanese relations than the over-bearing policy of the Japanese military authorities, the London *Times* stated Dec. 27 in a leading article. Indeed, it continued, the so-called patriots responsible for such crimes, and the young enthusiasts who condone them, are suspected in well-informed quarters of being far more interested in overthowing the Nanking Government than in restoring the country's prosperity and prestige. Critics of the granting of apparently limited autonomy in the two northern provinces of Hopei and Charhar have no practical policy to suggest, and they forget that the diplomatic resistance of Gen. Chiang Kai-shek's Government compelled the Japanese soldiers to abate their original demands. Since its inauguration, the Central Government has had a desperately difficult task. Nevertheless, it has scored some striking successes, including the restoration of peace and order in wide regions in Szechuan and Kweichow, and a marked improvement in local government and in communications in Central China. Its chief fault, in the eyes of its student critics and jealous rivals, is that it is not spectacular enough. Instead of warring on unequal treaties and challenging Japan to a disastrous duel, it is trying to make the best terms it can and is concentrating attention on the organization and enrichment of the Yangtze Valley, in the heart of China. "That is a common sense, not a romantic policy; hence the revolver shots," the *Times* concluded.

Japanese Embassy and Army Regret Tang Yu-jen's Death

"Deep regret" was voiced by officials of the Japanese Embassy in China and the office of the Japanese military attache over the death of Tang Yu-Jen, Vice-Minister of Communications, at the hands of assassins. "The killing of officials who have been seeking to promote Sino-Japanese friendship throws a dark shadow on the future of the relations between the two countries," an official of the military attache's told the *Shanghai Mainichi*.

"We cannot predict future developments," he was quoted by the journal as saying, "but we cannot remain unconcerned over the recurrence of assassinations." "We are deeply aggrieved by the untimely death of one who has been working hard for the readjustment of Sino-Japanese relations", a spokesman of the Embassy was quoted by the *Shanghai Nichi-Nichi* as saying.

A warning that "if the officials responsible for China's policy towards Japan are to be mown down by assassins' bullets, with the authorities being unable to apprehend the slayers. the government will have no alternative but to pursue an anti-Japanese policy" was uttered by the *Shanghai Nippo*. "The fact that only members of the so-called pro-Japanese group are made victims of attack shows clearly that the assassins are motivated by their opposition to Wang Ching-wei's policy towards Japan," the journal asserted.

"We hope," the paper continued, "that the Augean stables of Chinese politics will be cleaned to expose those who are responsible for the outrages. The assassinations will deter statesmen from assuming the responsible post of Minister of Foreign Affairs. To what extent such situation may affect Sino-Japanese relations is beyond our imagination.

Government Mandate Commends Tang Yu-jen's Services

The National Government issued a mandate Dec. 27 regretting the tragic death of Tang Yu-jen, and publicly commending his services to the state. The Government allotted $3,000 for funeral expenses, while further adequate grants will be made to the relatives of the deceased.

The removal of two or three residents from a house next door to that of the late Tang Yu-jen, in an alleyway off Rue Gaston Kahn, is engaging the attention of the French Police, but the indications, it was reported are that these people had no connection with the murder. The Executive Yuan also is paying close attention to the crime, and has given orders to the Shanghai City Government for the arrest of the culprits.

Henchman of Sung Cheh-yuan Becomes Head of Peiping-Mukden Railway

The Hopei and Chahar Political Council has appointed Chen Chueh-shen, a close adherent of Gen. Sung Cheh-yuan, Chairman of the Council and Governor of Hopei, as acting Managing Director of the Peiping-Mukden Railway without reference to the Ministry of Railways. Lu Meng-hsiang, assistant Managing Director of the railway and Yin Tung, Managing Director, who is now in Tsingtao, have dispatched telegrams to the Ministry of Railways concerning Mr. Chen's appointment. Chen Chuen-shen, proceeded to the head office of the railway at Tientsin Dec. 22 accompanied by a Peace Preservation Corps.

Chang Kia-ngau, Minister of Railways, who was originally scheduled to leave for the North to inspect the railway administrations there, postponed his departure for several days. Mr. Chang attended a conference at Nanking to discuss ways and means to push the work on the unfinished section of the Canton-Hankow Railway.

Future of Railways in North China to Be Discussed at Tientsin Conference

With the arrival in Tientsin of officials of the Ministry of Railways from Nanking, the question is being raised in the Japanese press as to who will assume control of the railways in North China —Nanking, Peiping or the East Hopei regime. The greater part of the line, Japanese papers emphasize, is within the demilitarized zone. The officials who arrived there were Shen Chang, adviser, Chang Ching-seng, chief accountant, and Chen Yen-hsiung, director of the Hankow-Peiping line.

East Hopei Leaders Seize Railway Funds

The seizure Dec. 26 of additional funds from the receipts of the Tangshan station of the Peiping-Liaoning Railway by emissaries of the bogus East Hopei "autonomous" government was reported in an urgent telegram received by the Ministry of Railways from Lu Meng-hsiung, Assistant Managing-Director of the Railway. The telegram also stated that the bogus government had dispatched agents to take over the section of the railway east of Tangku, thereby coming into direct conflict with the order of the Hopei-Charhar Political Affairs Committee appointing Chen Chiao-sheng as Managing-Director of the Line.

Armed Police Seize Peiping-Liaoning Railway

(Special Correspondence from Tientsin, dated Dec. 27)

After a brief period of quiet during which local observers thought the situation here had taken a turn for the better, events marched sure and fast yesterday with the seizure of the Peiping-Liaoning Railway by a hundred armed men from the Public Safety Bureau acting under the instructions of General Sung Cheh-yuan.

The seizure took place at 11 a.m. and shortly after Lu Meng-hsiung, who has been Acting Managing Director and P. C. Chen, the Associate Managing Director, left the Central Station. Chen Chueh-sheng, the newly installed Managing Director, arrived on the scene a few minutes after the armed men took over the Railway. Mr. Chen immediately took possession of the seal, funds on hand and all property.

Immediately after assumption of office Mr. Chen called all departent heads to the meeting room and addressed them on the purpose of his action. Mr. Chen declared that he was acting on orders of the Hopei-Chahar Political Council. He stated that Yin Tung being constantly away from Tientsin and absent from the scene of his duties the Council felt it was necessary to have a responsible official on hand and thus he was ordered to step in and take charge.

It was pointed out by Mr. Chen that as most of the staff are technical experts there would not be many changes in the personnel but that some of the administrative officers would be changed.

All yesterday afternoon the new Director spent in making calls, the most important of which was to Major-General H. Tada, Commander of the Japanese Forces in North China, to whom Mr. Chen explained his action and the motive behind it.

General Sung Cheh-yuan, who at present is here on "private business," commented on the seizure of the Railway briefly. General Sung stated that he already had received a reply from the Ministry of Railways to the telegram he despatched concerning Mr. Chen's appointment. The message, General Sung said, stated that a formal mandate would be sent here in a few days and the appointment would be made official; but under the present circumstances he was obliged to order the new Director to take office immediately.

General Sung will remain in Tientsin for a few days and will then go to Paotingfu where he will take office as Governor of this Province. On January 1, he will review his troops in Peiping and three days later will entertain the entire foreign diplomatic corps of Peiping at a reception.

General Sung also declared today that he is here on private business and had not seen any Japanese officials. Regarding Yin Ju-keng's activities in Eastern Hopei, General Sung said, "Yin's regime in Eastern Hopei cannot be recognized by any of the foreign Powers. His activities can be checked easily provided he is not given assistance by any third party. This can be easily accomplished in view of the repeated assurances of the Japanese authorities that they will not interfere with China's internal affairs."

American Warcraft Condemned by Brig. General Mitchell

"Not one American aircraft unit now in use is suitable for war service," was the astounding allegation made by Brigadier-General "Billy" Mitchell, who commanded the American air corps in Europe during the Great War, in giving evidence this week before the Congressional Committee of Patents. Brigadier-General Mitchell said that out of the $3,000,000,000 spent by America on aircraft since the War, nothing had been spent on "real progress." All had been thrown into the hands of "financial manipulators."

Latest New Plane for Eurasia Arrives Here from Germany

The huge Junkers plane D-AMAK, which was flown out from Germany for the Eurasia Aviation Corporation, arrived at Lungwha Airdrome, Shanghai, Dec. 29 at 4.20, when it was welcomed by representatives of the management and board of directors of the Eurasia Aviation Corporation, press representatives and many members of the German community. The tri-motored giant which left Berlin on Dec. 20, took exactly 68 flying hours to reach Shanghai *via* Athens, Cairo, Baghdad, Karachi, Rangoon, Bangkok, Hanoi and Hongkong. Generally speaking, the weather was favorable and the scheduled times were kept to almost exactly. The new plane will be used in the same way as the previously arrived planes of the same type on the routes between Shanghai-Chengtu and Sian-Lanchow.

National Library of Peiping to Print Catalogue Cards for Distribution

Beginning with January, 1936, the National Library of Peiping embarks upon a new bibliographical venture in having catalogue cards for Chinese books printed for distribution. Like the Library of Congress cards, these catalogue cards will be in the form of the main entry card, the only difference being that the former uses the author as the main entry whereas the latter uses the title, as Chinese books are better known by their titles. Each set, composed of 5,000 unit cards, will be sold for $50.

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Japanese Shipyards Busy—Foreign Navy Orders Help Fill the Stocks

A ROSY picture is drawn by the Tokyo *Chugai Shog yo* as regards the position of the shipbuilding industry in Japan. Such leading private shipyards as the Mitsui, the Mitsubishi, the Uraga, the Harima, the Kawasaki and the Osaka Iron Works at present have fairly heavy "navy" orders both from home and abroad, says the Tokyo journal. Moreover, as there are a lot of machinery contracts, they are fully booked for the year 1936, and are actually turning orders down.

To make the situation better, continues the Tokyo journal, many large and small shipping operators are now increasing their fleets, largely filliped by the recent improvement in trade and a consequent shortage in vessels. These shipowners are necessarily anxious to receive a Government subsidy under the scrapping-building scheme.

Count Makino Resigns—Viscount Saito Becomes Lord Keeper of Privy Seal

In one of the most sensational developments in the so-called "Minobe controversy," which has been in the lime-light for the past two years, Count Nobuaki Makino, Lord Keeper of the Privy Seal and an outstanding "old school" liberal statesman, Dec. 26 tendered his resignation. The resignation was accepted immediately and the same afternoon the Emperor personally installed Viscount Makoto Saito, former Premier, as Count Makino's successor. Count Makino was accused by the Army, the Seiyukai party and various partiotic organizations of subscribing to the theories of Dr. T. Minobe, who asserted that the Emperor was an organ of the State, and not the State itself. The retiring statesman had a long and varied career, which began before the century, when he served as private secretary to Japan's great Premier, Hirobumi Ito. Viscount Saito has served as Vice-Minister of Navy; Minister of Navy twice, in 1906 and 1913; Governor-General of Korea, 1919 and 1929; Premier and Foreign Minister, 1932 to July, 1934, when he was forced to resign in connection with the Teikoku Rayon share scandal.

Total Budget 1936-37—Yen 2,278,130,000

Details of the budget for next fiscal year, second only to the record-breaking budget for 1933-34, were revealed Dec. 26, by the Finance Ministry. Appropriations for national defence show a total increase of Yen 35,000,000, Yen 20,000,000 of which represent a rise in the ordinary allotments to the Navy. The estimates of other ministries show a gain of Yen 26,000,000, as compared with the current fiscal year.

The total budget for 1936-37 reaches Yen 2,278,130,000, as compared with Yen 2,215,413,000 for the current year. A total of Yen 680,314,000 will be raised next year through the flotation of deficit bonds. Appropriations for national defence exceed Yen 1,059,000,000, or more than 46 per cent. of the total budget. The Finance Ministry accounts for Yen 491,547,000, Yen 28,603,000 of which are for extraordinary expenditures.

100 Japanese Fire Raisers Arrested—Insurance Companies Defrauded of Over Yen 100,000

Over 100 villagers of Kanagawa prefecture who in collusion with nine insurance canvassers, set fire to their houses and defrauded insurance companies of over Yen 100,000 in the past ten years, were arrested last week and will shortly be committed for trial.

Attempt to Petition Japan's Ruler Results in Arrest

While the Emperor was returning to the Imperial Palace after opening the 68th Diet, Dec. 26, a man attempted to make a direct appeal to him, but was arrested by police on the spot. It is reported that the man sought Imperial intervention for relief for the Japanese fishermen who withdrew from North Saghalien as a result of the Russo-Japanese Treaty concluded at Peking in 1925.

Osaka Millionaire Missing

A young Osaka millionaire, Masahiko Ushizukuri, only twenty years old, is reported to be missing. He left his house last week with, it is stated, securities and shares to the total value of Yen 400,000 in his pocket.

New Railway Scandal in Japan—Missing Yen 900,000 Leads to Examination of Directors

With the disclosure of the spending of about Yen 900,000 for unknown purposes, a scandal is suspected in the Toyokawa Railway Company at Toyohashi city. Toshiro Kurata, former managing director of the company, Senjiro Harada, a director, and two senior employees of the company, Tatsuji Ikuta and Mori Mitsushima, have been summoned by the Toyohashi Procurator's Office and examined. It is believed that further investigation will see the scandal spread to a wholy unexpected quarter.

Independent Shipping Line to Fight Netherlands Competition

Dissatisfied with the attitude taken by the Government in dealing with the Netherlands Indies trade issue, Koichiro Ishihara, president of the Ishihara Sangyo Kaiun Kaisha and one of the largest shareholders of the Nanyo Kaiun Kaisha, announced last week that he would resign his post of adviser of the Nanyo Kaiun and will start an independent shipping service to Java This "bombshell" declaration caused a sensation in all quarters, Government and private, because it meant the doom of the Netherlands-Japanese Trade Conference.

Mr. Ishihara thinks the policy pursued by the Government in the present shipping parley is too weak. Convinced that if the situation is left as it is, the object for which the merger of Japanese shipping interests was carried out, cannot be realised, Mr. Ishihara has decided to start a new service. If the Ishihara firm is to have a free hand, any arrangement between the Nanyo Kaiun Kaisha and the Java-China-Japan Lijn will be wrecked. It is stated that the Government is not in a position to stop the Ishihara scheme. The situation is also serious to the N.Y.K., the O.S.K. and other shareholders of the Nanyo Kaiun Kaisha.

Japan to Control Its Motor Industry

The Automobile Industry Law, placing the motor manufacturing industry in Japan under the direct control of the Government, was approved Dec. 27 by the Ministry of Commerce and Industry. It will be introduced at the present session of the Diet, and is expected to be passed, without strong opposition. The law puts the industry on a license system, exempting plants producing less than 6,000 cars annually; requires that Japanese must have a controlling interest in every automobile manufacturing firm; and allows the Minister of Industry and Commerce to regulate prices and dictate equipment changes "in the interest of national defence and the industrial needs of the nation."

No Peace Pact with Russia—Neither Nation Ready for It, Tokyo Foreign Office Says

The special committee of the National Policy Council met at the Premier's official residence in Tokyo Dec. 23 when it heard explanations of international issues by the Foreign Office authorities.

Regarding the question of concluding a non-aggression treaty between Japan and Soviet Russia, they told the committee that it is in abeyance, as neither side is fully prepared for the undertaking.

The next meeting of the special committee will be held about January 10. In the light of the Finance Department, the Services Departments and the Foreign Office, it will draw up tentative plans to bring national defence and finance into harmony.

Petroleum Quotas in Japan Discriminate Against Foreign Firms

The Japanese Department of Commerce and Industry has now definitely fixed, in accordance with the Oil Industry Law, petroleum marketing quotas for the coming year. It is noteworthy (says the *Japan Chronicle*) that the Commerce authorities have decided to give Japanese traders practically all the estimated natural increase of gasoline consumption, i.e. 140,000 kilolitres. This, it is explained, is necessary to enable them to work to capacity, but it is also undeniable that it is a discrimination against the two foreign suppliers, the Rising Sun Petroleum Company and the Standard Vacuum Oil Company, who have not yet agreed to build storage tanks necessary for a storage of six months' needs. Only when they have completed this storage obligation, it is stated, will the Government switch 20,000 kilolitres to them.

Big Spinning Company to Employ 250 Girls for 6 Hours Daily at 50 Sen as Experiment

As an experiment, the Kanegafuchi Spinning Company is employing 250 girls and young women to work for six hours daily in its Kobe mill. There are to be two shifts, one from 6 o'clock until noon and the other from 11 o'clock in the morning until 5 o'clock. The workers are to be from 13 to 24 years of age. Because of the hours, says the *Asahi*, young wives of salaried men will be able to work in the mill without too much in interference with their home duties. Those without previous experience are to receive 50 sen a day. An official of the personnel section of the spinning company is credited with the following comment: "The six-hour day system will be good for the health of the girls and make for efficiency. The wages have been raised by 10 sen per day. Those who wish to work longer can give up two or three hours extra in the lace factory. This is the first time that the six-hour system has been tried, far exceeding the demand for an eight-hour day."

Super-Patriots Make Trouble for Formosa Governor General

The super-patriotic Japan Production party, affiliated with the Black Dragon Socity, has filed a vigorous protest with the Government-General of Formosa against the arrest of three of its members on December 22. The men, *Rengo* learned from authoritative sources, were detained on the eve of their departure for Tokyo, with the results of their investigation into the case of the Netherlands oil-tanker *Juno*, held in Formosan fortified waters in April on charges of espionage. Officers of the Japan Production Party revealed that they they intended to make the case a Diet issue, on the ground that high judicial officials of the Formosan Government-General, including Governor-General Kenzo Nakagawa himself, "shielded international spies."

Japan Auto Company to Merge With General Motors

Three officials of the Japan Industrial Motorcar Co. sailed for the United States last week in order to complete a merger with General Motors Japan Ltd. (of Osaka) in New York. The basic agreement on the merger of the two motorcar concerns was recently reached between President Ayukawa of the Japanese concern and H. B. Phillips, first vice-president and until recently regional director for the Orient of the General Motors Export Co. Mr. Phillips, recently transferred to Europe, is now en route to New York to report to headquarters the particulars of the deal.

Domei News Agency to Secure Exclusive Newscast Rights

Facilities for newscasts—the radio telegraph broadcasting of news items—will become a monopoly of the Domei News Agency, (successor to *Rengo*) new national newsgathering and distributing service, which came into being on Jan. 1. Regulations granting this exclusive right to the new organization were promulgated early this week. Under existing regulations these facilities were available to all persons or organizations complying with certain conditions.

Japanese Economic Mission to Visit Siam

Yunosuke Yasukawa, former managing director of the Mitsui Bussan Kaisha, will leave Tokyo late in January as Japan's second civilian good-will envoy. He will visit the Netherlands East Indies, Siam and adjoining countries on a six-month schedule. The Ministries of Foreign and Overseas Affairs have promised to extend him all necessary assistance.

Japanese in Berlin Ridicule Reports of German-Japanese Military Alliance

It was emphatically denied in Japanese circles in Berlin Dec. 29 that parleys had taken place, as reported in the French Communist organ, *L'Humanite*, between the Japanese military attache and Herr Jaochim von Ribbentrop toward the conclusion of a military agreement between Germany and Japan. The report was described as fantastic and ridiculous, the Japanese envoy's last meeting with Herr Von Ribbentrop having been about a year ago at an official reception attended by all of the military attaches in the capital.

Such agreements, the Japanese said, are usually negotiated through ambassadors and foreign ministers along diplomatic lines rather than between the actual military representatives of any two countries.

Although it was stated that Japan does not now contemplate the conclusion of any agreement, although it is true, these quarters observe, that German and Japanese views are identical as regards their policies against the Kuomintern. At present the only existing arrangement between the two countries provides for an exchange of officers. Japanese officers are quartered in various German garrisons, while the Hauptmann School maintains a training course in Tokyo.

Farmers Riot in Kiangsu Village; Wreck Police Bureau Headquarters

Large contingents of Peace Preservation Corps and police were massed at Wei Ting, a small village off the Shanghai-Nanking Railway in Kiangsu, Dec. 30 to guard against the recurrence of rioting by farmers, who, on Sunday night, stormed the district police bureau and administration office in a demonstration for a reduction in rent. The demonstration started from Yueh Chao, (moon bridge), where about 1,000 farmers had gathered at 6 p.m. Marching down to the police bureau, the crowd was stopped by a contingent of policemen. In spite of the warning by the police, the mob pushed on in an attempt to break through the line. The police thereupon fired a volley of shots over the heads of the farmers. Although some retreated, the majority charged the policemen, who retreated. An inspector issued a second warning, and as this was unheeded, he opened fire on the ringleaders.

Arriving at bureau headquarters, the mob wrecked the furniture and damaged the building. Meanwhile another group proceeded to the village administration office and prevented anybody from using the telephone for fear of calling for reinforcements for the police. The farmers had been granted a 30 per cent reduction of their rent but this did not satisfy them. A similar demand was also made by villagers of Changshu.

Hu Han-min on Way to China

A conference was held in Canton Dec. 20 by the South-west Executive Committee at which Tsou Lu, Chancellor of the Sun Yat-sen University, who recently returned from Nanking, reported on the general political situation and the Central Government's foreign policy. Interviewed, Tsou Lu confirmed a report that Hu Han-min, the veteran South-west statesman, would arrive soon at Singapore en route back to China and declared he expected Mr. Hu to visit Canton prior to going to Nanking. Referring to Sino-Japanese relations, he declared that negotiations were still proceeding, but no agreement had yet been reached.

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When appetite has left you, and the sight of a well-spread table gives rise to unpleasant sensations within, it is a sure sign that your digestive organs need attention.

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Japanese See a Menace in Soviets Double-Tracking Siberian Railway

The Japanese military authorities take a very serious view of the rapid progress of the Soviet programme to double-track the railways in Siberia. The Amur Railway in Soviet territory has, in most part, been double-tracked already, and work on the new railway which runs north of Lake Baikal is being pushed on vigorously. The completion of a Siberian railway net-work, they fear, will prove a grave menace to Manchukuo and Japan. The Japanese military authorities say that whereas the Japanese troops in Manchukuo are not strong enough to maintain peace and order in that country and to guard the railways adequately, Soviet Russia keeps several times as large a force east of Lake Baikal. The Russian troops in this zone are said to be 230,000 strong, comprising eleven infantry Divisions and three cavalry Divisions. They are posted at all points of strategic importance on the border in readiness to invade Manchukuo at any moment.

Siberian Railway Double-Track Practically Completed

The double-tracking of the Trans-Siberian Railway from Lake Baikal to Habarovsk has been practically completed. Normal freight and passenger traffic is expected to begin soon, as auxiliary constructions, such as locomotive depots, repair shops and warehouses, have been completed. The majority of the workers engaged on the job were criminals, including many women, a London dispatch stated. Meanwhile, the Russians are planning the construction of another giant railway system. The new line will be 7,500 miles long and will stretch from the Black Sea to the Pacific. Various sections of this line, which will dwarf the Trans-Siberian Railway, have already been completed.

"Nippo" Sees Soviet Menace in Far East

Reviewing Soviet Russia's Far Eastern policies, the *Shanghai Nippo* Dec. 30 editorially warned against the possibility of the Communist elements securing "what may be called a casting vote in China." The extension of Soviet influence in Sinkiang by means of Communist cell development, the aid being given the Communists in China, and maneuvers by means of handling the pro-Soviet faction in the Nanking government, were given by the daily as factors that may place the Soviets in a position to lead the so-called Western faction in Nanking or bring pressure to bear upon the Japanese side.

A revival of anti-Japanese news in the press of the Soviet Union was reported to the Japan Foreign Office last week. At Habarovsk, it was said, the papers have been so vehemently instigating the people against Japan that one of the members of the staff of the Japanese consulate-general there was stoned.

Socony Buys Petroleum in Russia

The *Tokyo Nichi Nichi* Dec. 24 stated that the Socony-Vacuum Oil Co. and the Soviet Government have concluded an agreement by which the Soviet oil trust will ship 500,000 barrels of petroleum to the United States. Large contracts for the importation into America of various fuel oils are also expected to be concluded in addition.

Ten Per Cent Are Expelled in Soviet Party Purge

Nearly 10 per cent of members of the Soviet Communist Party were expelled from the party ranks last week as a result of the wholesale purging action launched by M. Stalin early this year, following the assassination of the prominent Communist chief Kiroff in Leningrad, who in the first years of the Revolution, fought against the Red Army.

Because Soviets Develop Siberia Is No Proof of Hostile Intent

(*Extract from Editorial in the "Japan Chronicle," Kobe*)

From a strategic point of view there is little excuse for the cry that is raised from time to time to time that Russia is about to launch an attack in the Far East. It may be true that endeavors are being made to create a highly developed and self-supporting Siberia, but it is impossible to regard economic development as proof of hostile intent.

Several Japanese Killed and Wounded in Encounter with Bandits in Kirin

A corporal and a private were killed and four privates injured in a clash which took place in the East of Kuanti in Kirin Province between a Japanese expeditionary unit and a group of about 80 bandits on Dec. 18.

Manchukuo Freight Rates to Be Cut

Drastic reductions in railway freight rates on the state-owned and South Manchuria Railway lines have been announced to go into effect Feb. 1. The new rates will bring a unification of the tariffs on the S.M.R. and state-owned lines and provide for a graduated scale whereby long-distance shippers are benefited.

Japanese Soldiers Injured and Manchukuo Soldier Killed in Mongolian Border Dispute

The tenseness of the situation along the Manchukuo-Outer Mongolia frontier was increased when on the morning of December 24 three Japanese soldiers are stated to have been injured and one Manchukuo soldier killed. A report reaching Dairen asserts that "the entire Japanese and Manchukuo military units along the frontier are restive because of the repeated incursions by Outer Mongols and are anxious to swing into action." It is learned that thirteen additional "frontier defence stations" will be established by Manchukuo along the frontier. Meanwhile, relations between the two countries have not been improved by the firm tone of notes exchanged between Changchun and Ulan Bator.

New Danger Seen by Tokyo Military in Reported Soviet-Mongol Pact

A new source of danger to world peace is seen by Japanese military circles in the reported conclusion of a military agreement between Soviet Russia and Outer Mongolia. The pact, in the view of Toyko War Ministry officials, "adds to the peril of creating a dispute" along the Outer Mongolla-Manchukuo border by "encouraging the Ulan Bator authorities in their violations of Manchukuo territory."

"The situation on the frontier is precarious enough as it is without adding new factors," an officer remarked.

Creation of Hopei-Charhar Political Council Seen as Threat to Communism

Moscow officials were seen by the Tokyo military as being particularly perturbed by the threat to Communistic activities in China by the creation of the Hopei and Chahar Political Council under Gen. Sung Cheh-yuan and the probability of discussions between Tokyo and Nanking for co-operation between China and Japan in combatting Communism.

The birth of the Council, with an avowed anti-Communist aim, is described in Tokyo as being regarded with particular disfavor in Moscow because it wrecks the possibility of the creation of the "Comintern Route."

Mongolian Government Leaders Arrive in Moscow

The President of the Council of Ministers of the Mongolian Peoples' Republic, M. Gendun, the Military Minister of the Mongolian Peoples' Republic, M. Demid, Chief of Internal Security of State, M. Namsaray, and other people accompanying M. Gendun, arrived in Moscow from Leingrad Dec. 30.

Manchukuo Supply Bureau Building in Changchun Burned Down

A devastating fire at Changchun Dec. 25 reduced to ashes the building of the Supply Bureau of the State Council's General Affairs Board.

George Shecklen Made Vice-President of R.C.A. Communications, Inc.

Word was received in Shanghai this week that George F. Shecklen has been elected a Vice-President of the R.C.A. Communications Inc., at a recent meeting of the board of directors. Mr. Shecklen, who has been representative for China of R.C.A. Communications for the past seven years, came to China as a radio-telegraph traffic expert in 1928, to assist the Chinese Government in concluding plans for establishing their own international radio communications system. After arriving in China, Mr. Shecklen spent several months working to improve the improvised circuit. He did not have much confidence in the permanency of the circuit, and soon became convinced that lasting service would have to assume the Chinese Government's owning and operating the China terminal. After months of negotiation and work, he was able to sell the idea of a Chinese Government-owned station to the Chairman of the Government's National Council of Reconstruction, who obtained the Central Government's sanction on proceeding with the project, and who with great effort raised funds to purchase equipment. A contract for purchase of equipment was signed with R.C.A. on Nov. 3, 1928, and a traffic agreement for the handling of radio-telegraph messages was signed with R.C.A. on Nov. 11, 1928. Service via Manila was opened early in 1929, and directly to San Francisco in 1930. Mr. Shecklen, who is at present in America on home leave, will return to China at the end of January, 1936, to continue his work as representative for China of R.C.A. Communications, Inc.

General Fu Made Judge in Suiyuan Scandal

The Ministry of War has appointed General Fu Tso-i, Chairman of the Suiyuan Provincial Government, as Chief Judge of the Court Martial specially organized for the trial of the 16 suspects involved in a bribery scandal. The scandal relates to the acceptance of a huge bribe by several officials of the Taiyuan Pacification Headquarters in connection with the purchase of wooden sleepers for the Tatung-Puchow Railway in Shansi.

Who's Who in China

劉貽燕
Liu Yee-yung (Liu Yi-yen)

Liu Yee-yung, Government official; born at Hweilin, Anhwei, 1886; graduate of Anhwei High School; B. Sc. in Engineering, Glasgow University, England; principal of Anhwei Engineering Technical College; professor of Peiping National Agriculture University; technical commissioner of National Construction Commission; associate director of Hangchow-Kiangshan Railway; director of Central Machine Works of Industry Ministry; now member and Commissioner of Reconstruction of Anhwei Provincial Government; address: Department of Reconstruction, Anhwei Provincial Government, Anking, Anhwei.

劉貽燕，安徽懷甯人，年四十九歲，安徽高等學堂畢業，英國格拉斯哥大學工學士，曾任安徽公立工業專門學校校長，國立北京農業大學教授，中央建設委員會專門委員，杭江鐵路局副局長，中央機器製造廠籌備主任，現任安徽省政府委員兼建設廳廳長，現在住址：安徽省政府建設廳

Imports Into China from Japan Increase; From U.S. Decline

Decline in American exports to China to less than imports from China, while Japanese exports to China are on the increase, continue to be the outstanding feature of Sino-foreign trade.

Customs returns analyzed this week show the following imports into China from the three leading countries during the month of November: U.S., $11,928,153; Japan, $12,725,838; and Great Britain, $9,768,864.

Exports from China to the three leading countries were: U.S.,$12,558,892; Japan,$10,837,356; and Great Britain, $4,070,407.

Thus, for the second time in many years—the other being October this year—the balance of Sino-American trade was unfavorable for the United States.

On the basis of the first 11 months of this year, however, the balance is favorable to the United States, but the decline in Chinese imports from America coincidental with a rise in imports from Japan has been very striking during the past five months. There is also a striking change in Sino-foreign trade relations this year compared with last, as shown by the following tables of China's imports from and exports to the United States, Japan and Great Britain:

IMPORTS

	Jan.-Nov., 1934	*Jan.-Nov.*, 1935
United States ...	... $251,689,000	$161,241,000
Japan ...	... $116,192,000	$127,882,000
Great Britain ...	... $114,674,000	$ 90,796,000

EXPORTS

	Jan.-Nov., 1934	*Jan.-Nov.*, 1935
United States ...	... $ 86,723,000	$118,355,000
Japan ...	... $ 74,375,000	$ 65,000,000
Great Britain ...	... $ 46,851,000	$ 44,000,000

In brief, the United States has been selling less and less to China, but buying more and more from China.

For the first 11 months of this year, 23.40 per cent of China's exports gone to America compared with about 13 per cent to Japan and nine per cent to Great Britain. China meanwhile has obtained 18.81 per cent of her imports from the U.S. compared with about 15 per cent from Japan and 10 per cent from Britain. During recent months,the percentage of Chinese imports from the U.S.has declined to less than the percentage from Japan.

One major increased item of Chinese exports to America has been tung oil. In recent months, there has been a sharp rise in quantity and a sharper rise in the value of this item.

According to Dr. Ho Ping-yin, director of the Bureau of Foreign Trade of the Ministry of Industry, the United States, which is by far the greatest importer of Chinese tung oil, absorbed 120,000,000 pounds from China annually before the depression, imports dwindled to about 70,000,000 pounds annually. Since the Rooseveltian national reconstruction plans have been put into effect greater commercial activities have caused tung oil imports to the United States from China to jump to around 100,000,000 pounds a year.—*Shanghai Evening Post.*

In the United States Court for China

RUTH ANN HEDGES, Plaintiff, vs. ELDRIDGE D. HEDGES, Defendant.	Cause No. 4001 Civil No. 1902 ORDER Filed at Shanghai, China, December 13th, 1935. William T. Collins, Clerk.

The object of this suit is an action for divorce.

WHEREAS, plaintiff herein, by her attorneys, has this 13th day of December, 1935, made application for the substitution of publication for personal service upon the defendant herein; and

WHEREAS, it appears from the files in this case that on the 13th day of December, 1935, the summons for defendant was returned by the United States Marshal for China with the following noted thereon: "Defendant cannot be found within the jurisdiction of this Court"; and

WHEREAS, it appears from the files in this case that on the 13th day of December, 1935, the plaintiff herein filed an affidavit to the effect that the defendant does not now reside in China nor has he resided therein, and that defendant's last known address was c/o J. Walter Thompson Co., Shell Bldg., 13th & Locust St., St. Louis, Missouri.

NOW, THEREFORE, it is this 13th day of December, 1935, ORDERED that service upon the defendant be made by publication once a week for three consecutive weeks in the *China Weekly Review*, Shanghai, China—a paper of general circulation most likely to reach the defendant.

IT IS FURTHER ORDERED that the defendant cause his appearance to be entered herein on or before the fortieth day, exclusive of Sundays and legal holidays, occuring after the 4th day of January, 1936, the day of last publication of this Order; otherwise the case will be proceeded with as in case of default.

BY THE COURT:

Dated at Shanghai, China,
this 13th day of December, 1935.

MILTON J. HELMICK,
Judge.

THE TANAKA MEMORIAL

Much debated secret document outlining Japan's imperial policy of conquest—supposedly presented to the Emperor of Japan by Premier Tanaka on July 25, 1927.

Although officially repudiated, Japan has nevertheless followed the Memorial's recommendations since 1931.

Preparing for War with U. S. A.?

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160 Avenue Edward VII
Shanghai.

Men and Events

NOTE TO THE READER:—Through an oversight an article entitled "Secret Informers and Spies in Harbin" was listed on the cover of *The Review* as part of the contents of last week's issue. Same appears this week on page 168.

Yakichiro Suma, Japanese Consul-General in Nanking, proceeded to Japan this week on a month's furlough.

Dr. Wu Lien-teh has been appointed delegate to the forthcoming 9th Advisory Conference of the Far Eastern Health Bureau of the League of Nations.

H. J. Timperley, Peiping newspaper correspondent who has been ill with bronchitis through the duration of his current visit to Shanghai, is in the General Hospital, but improving.

Hallet Abend, correspondent in China for the New York *Times*, and Victor Keen, correspondent in China for the New York *Herald-Tribune*, have returned to Shanghai from North China.

The Koko Nor Gospel Mission showed lantern slides of its work among the Tibetans at the Chinese Y.M.C.A. in Shanghai Jan. 3. Pastor V. G. Plymire made a short address.

In identic letters to its subscribers, the *Rengo* News Agency Dec. 31 announced the termination of its services at midnight, and its merger with the newly-formed *Domei News Agency*.

Dr. C. C. Chen, Professor of Biology at the University of Shanghai, in an address to Shanghai Rotarians Dec. 27 described the successful modern experiments carried out by research workers in many parts of the world, dealing with sex control.

The Agreement for the rendition of the British Settlement at Kuling (Kuling Estate) was formally signed Dec. 30 at Kuling between Chiang Chih-cheng, Director of the Kuling Administrative Bureau, and G. S. Moss, British Consul-General at Hankow.

Hsi Yu-shu has been elected councillor of the Shanghai Municipal Council in place of Chen Chieh who has become Vice-Minister of Foreign Affairs. Hsu Hsiao-chu has been elected to fill the original position held by Mr. Hsu as committeeman in the Council.

F. A. Larson, better known as "Duke" Larson of Mongolia, is in the hospital at Kalgan. Mr. Larson was taken ill about a week ago and it was revealed at the hospital that he was suffering from appendicitis. An operation was performed and although his condition was serious, he is now stated to be out of danger.

A sentence of eighteen months' imprisonment, suspended for two years, was passed by Judge Tsien in the First Special District Court in Shanghai, Dec. 29 upon Lu Sau-dong, once a wealthy real estate broker, who was charged by police with misappropriating last year $239,000 belonging to the Commercial Bank of China.

A crowd of agitators were dispersed by the Municipal Police outside the Foh Sing Cigarette Factory, 104 Macao Road, on Shanghai Dec. 29, following an attempt to make the workers generally attend the inaugural meeting of the Third District Cigarette Workers' Union in Lane 1243, Gordon Road.

A dinner party was given by Mayor and Mme. Wu Te-chen, at their residence in Shanghi Dec. 30, for Professor D. C. Jackson, the retired head of the Department of Electrical Engineering of Massachusetts Institute of Technology and past President of the American Institute of Electrical Engineers.

Lieutenant-Colonel Alexander A. Vandegrift, U. S. Marine Corps, has been selected for promotion to the rank of Colonel; and Major Graves B. Erskine, U. S. Marine Corps, selected for promotion to the rank of Lieutenant-Colonel. Both these officers are serving with the Marine Detachment, American Embassy Guard, Peiping.

Japanese Consular Police ceased their all-night patrolling of streets in the Hongkew, Chapei and Yangtzepoo districts Wednesday evening. The patrols were begun on Dec. 23 with the avowed purpose of curbing unlawful activities among the local Japanese and to prevent Japanese nationals from being victimized by others.

The British Police Court this week continued taking evidence in the case in which two British police sergeants (Peters and Judd) in the service of the Shanghai Foreign Municipality are charged with throwing a beggar into Soochow creek, thereby causing his death from pneumonia. The case will eventually be tried before the British Supreme Court with a jury.

A quarrel between two Russian doormen in rival cabarets in Rue Chu Pao San, in the heart of the business district of the French Concession, during the night of Dec. 30 resulted in the murder of one of them, named Peter Stephanoff. His assailant, Foollik, shot himself in the abdomen, but not fatally, when police closed in on him.

A serious train accident occurred on the Tientsin-Pukow line, at Tsaolaochi station, north of Pengpu, Dec. 25, when a southbound passenger train and a northbound freight train came into headlong collision. Three persons were killed and seven others seriously injured, all being on the freight train. No-one in the passenger train was hurt.

William Allen White, editor of the *Emporia (Kansas) Gazette* came down to Shanghai from Peiping end of last week, accompanied by Mrs. White. They are departing from here for the United States next week. Mr. White will address the Pan-Pacific Association at the Astor House Hotel, Monday, January 6. He will be introduced by Dr. Fong F. Sec.

Siccawei reports that there will be a total eclipse of the moon on January 8-9 visible in China. Moon enters penumbra on Jan. 8 at 11.16 p.m., total eclipse being at 1.57 a.m. on Jan. 9, the middle being at 2.09 a.m., the total eclipse ending at 2.21 a.m., the moon leaving the penumbra at 6.01 a.m.

Loo Vung-yin, the alleged leader of the Huo Wei Lottery in the French Concession, was sentenced to two years' imprisonment and fined $1,500 by the Second Special District Court Dec. 30, on a charge of conducting public gambling. The accused, during the period of appeal, was released on bail of $6,000 security.

The San Francisco papers last month printed long articles on the occasion of the arrival of Henry W. Kinney, long in service as pubicity agent for the S.M.R., on his way to Papeete to retire. Under his picture the *Examiner* said "Decorated by Emperor." while the caption under his picture in the *Chronicle* said "Decorated by Puppet King."

A record was made by engineers and workmen from the Shanghai Telephone Company in repairing a cable which became faulty at 4.57 p.m. on Dec. 24, affecting about 909 French Concession subscribers. Within 24 hours after the cable was reported broken, an entire new cable had been installed. The work required almost 4,000 unsplicings and 4,000 splicings together again.

According to figures compiled by the National Tariff Commission, the wholesale export and import prices and the cost of living in Shanghai for the month of November showed a substantial increase over the month before. The heaviest rise was that registered by imports, which advanced 15.4 per cent, followed by exports with a gain of 11.2 per cent, wholesale prices 9.8 per cent, and the cost of living 5.1 per cent.

A Chinese rag-picker was seriously injured, and a small Chinese boy sustained injuries of a minor nature, when a bomb which the rag-picker was carrying in a large basket suddenly exploded while he was walking along Darroch Road, Shanghai, Dec. 26. The incident happened not more than 30 yards from the spot where Warrant Officer Hideo Nakayama of the Japanese Naval Landing Party was killed early in November.

The death occurred in Honolulu Nov. 21, at the age of 41, from tuberculosis of William C. Prohme, prominent in newspaper work in China together with his wife, during the Chinese Nationalist revolution. Mrs. Prohme, who was Rayna Raphaels before her marriage, died in Moscow (whence she had gone with Mrs. Sun Yat-sen) shortly after the tenth anniversary of the Bolshevist Revolution.

"It was the defendant's misfortune that she kept her current account with an insolvent institution," concluded Assistant Judge P. Grant Jones in the British Supreme Court Dec. 31 when he decided in favor of the Shanghai Milk Supply Company, which was suing Mrs. H. Walker for $1132.91 she had collected from customers, and placed in the American-Oriental bank last May not long before it closed its doors.

Mayor Wu Te-chen of the Municipality of Greater Shanghai officially informed the retiring American Consul-General, Edwin S. Cunningham, this week by radio to the s.s. *President Lincoln*, that he is the recipient of a high decoration from the Chinese Government. The honor is said to be in some measure a reward for his activities on numerous occasions in furthering the understanding between Americans and Chinese here on difficult questions.

Mrs. Clare Boothe Brokaw, whose play, "Abide with Me," opened in New York recently, and Henry R. Luce, editor of the magazine *Time*, were married on Nov. 23 in Old Greenwich, Conn. The Rev. Alden S. Mosshammer, pastor of the church, officiated. There were no attendants, according to the New York *Herald Tribune*. Mr. Luce was born in Shangtung province, China, the son of an American missionary. He was divorced recently from his first wife, the former Miss Lila Hotz.

The Nanking Foreign Office has lodged a protest with the Japanese Embassy against the erection of a radio station at Paotao, the Suiyuan terminus of the Peiping-Suiyuan railway, by a Japanese named Saito, and an alleged plan by the Japanese military attache to make fortnightly aerial visits to Paotao from Tientsin. The protest, which was delivered to the Japanese Embassy Dec. 27, declared that such actions infringe on China's sovereign rights and requested that they be immediately stopped.

Japanese on Extra-Settlement Roads to Get Phone Facilities

Japanese residing along extra-Settlement roads in the northern district were reported by the *Shanghai Mainichi* as jubilant over the prospect of an early installation of Shanghai Telephone Company apparatus in their homes.

This follows the receipt of information that the Shanghai Telephone Bureau of the Ministry of Communications was instructed by the authorities in Nanking to "accord all possible facilities" for the installation of S.T.C. apparatus in Japanese homes on extra-Settlement roads. Up to now, all applications for the installation of S.T.C. apparatus were turned down by the Bureau on the ground that the Chinese administration would not sanction new extensions of its lines into the extra-Settlement area.

Ministry of Finance Warns Against Illegal Seizures of Silver

The Ministry of Finance in a dispatch issued last week to all parties concerned, including General Chiang Kai-shek, recommended that silver found in the possession of ignorant and *bona fide* persons should not be confiscated.

The dispatch among other things said:—"For out-of-the-way districts, where legal tender notes are not yet in circulation, the Ministry specially ruled that the original custom (of money and other forms of silver in such exchange) be temporarily maintained, and that silver coins and other forms of silver in such districts be exchanged for legal tender notes at the nearest exchange organs. According to secret reports recently received, various local military and police authorities do not yet fully comprehend the meaning of the various laws and ordinances (relating to silver). They often harass the ignorant people who carry small sums of hard money (silver dollars); or even detain and confiscate silver already on the way (to organs of exchange) for exchange into legal tender notes. The various local military and police authorities, in regions where legal tender notes are not yet in circulation, must not confiscate silver coins carried by the people, if their motive is to use them for the purchase of things and not for illicit profit. Shops or stores accepting the silver coins should, however, be instructed to have them exchanged for legal tender notes at the nearest exchange office."

"Wall Street Journal" Says Price of Silver Depends on Progress of Nationalization Plan

The recovery of world silver prices under the auspices of the United States Treasury appears to depend on the progress of China's plan for nationalization of the white metal and on the outcome of future negotiations between China and America, the Washington correspondent of the *Wall Street Journal* stated Dec. 26. The decline in silver, he added, has been permitted by the United States Treasury apparently as a squeeze designed to cut off smuggling of Chinese silver through Japan by making it unprofitable. Once this has been achieved, declares the correspondent, and China has been given a breathing-spell in which to carry out the necessary currency reforms, the United States Treasury may resume the boosting of the world silver price. Before this resumption occurs, however, an attempt will probably be made to work out an agreement or understanding on the future of silver as a currency for China.

Japanese See Great Britain and United States in Financial Competition in China

Commenting on the currency struggle between Great Britain and United States around the new monetary system of China, the *Shanghai Nippo* editorially writes that the export of silver from China to America, in order to create a fund for the stabilization of exchange, will lead to the linking up of the Chinese legal tender to the American dollar. Dwelling on the meetings which have been repeatedly made by Sir Frederick Leith-Ross with Dr. H. H. Kung, and other Chinese financial leaders, the Japanese daily says there is increasing aggravation of the controversy between Great Britain and America, in connection with the close connections which have been created recently since the dropping of the price of silver.

"Despite the repeated declarations made by British authorities," the paper continues, "the ambition of the British for developing their influence in China in the course of the monetary reform, has been vividly revealed in this struggle with the United States. Under present conditions, when the contradictions between Great Britain and United States are being ever more aggravated, China might understand that its position is growing more and more difficult."

Chinese Banks Send Record Shipment of Silver to U. S.

A large shipment of silver (the largest so far since nationalization) went on board the ss. *President Hoover* from three Chinese Government banks just before it sailed from Shanghai for the U.S., Dec. 31. Approximately $25,000,000 in silver bars was shipped. The banks whence the silver was produced were the Central Bank of China, the Bank of Communications, and the vaults of the old Bank of China in Jinkee Road.

All Provincial Mints in China to Cease Coinage

The first step towards realization of the plan for the standardization of the nation's coinage system is being accomplished with the cessation of work on the part of the various provincial mints, according to information from the Ministry of Finance in Nanking. In identic orders recently sent to the various mints, the Ministry instructed that all moulds for minting coins for circulation in the various prouinces be sent sent to Nanking. These instructions are learned to have been complied with.

Japan Orders Legations In Egypt and Ethiopia

An Imperial decree was promulgated Dec. 26 providing the necessary authorization for the opening of Japanese Legations in Egypt and Ethiopia in January. Appropriations for these Legations were approved at the last session of the Diet.

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Christmas, 1935

BY T. S. YOUNG

CHRISTMAS, 1935, in Shanghai presented a very curious spectacle, or, one might say, a painful spectacle. While thousands of well-to-do Chinese were celebrating at the night clubs and squandering their money in carousing and dancing to their heart's content, hundreds of young students, boys and girls, in manifesting their sympathy with the students' movement in North China, were parading through the streets, occupying the railway station and commandeering the trains in their attempt to proceed to Nanking to demand a strong policy against North China political developments.

What a sharp contrast this spectacle presents! It is acute callousness against fiery patriotism, a deplorable attitude of indifference against an admirable spirit of self-sacrifice, and glowing scenes of ecstasy with women and wine against pictures of suffering from cold and hunger. Who can look at this spectacle without receiving a painful impression?

We have been told that as Christmas happens but once a year, we should forget our worries and cares in celebrating the occasion. But how could we put on a smiling face to greet Mr. Santa Claus when many of our younger brothers and sisters braved the pangs of cold and hunger in staging patriotic demonstrations? Have our feelings been benumbed because of our continuous sufferings? Otherwise, how can we account for the huge crowds of Chinese people, nay, the intelligent people, frolicking at the night clubs on Christmas Eve?

Christmas, in recent years, has become a very popular festival among the local well-to-do Chinese, not because of its religious significance, but because it can be conveniently used by the so-called "smart set" to show up their financial and social standings. It sounds unbelievable, but is nevertheless true, that of the big crowds at the night clubs on Christmas Eve no less than 80% have been of the sons and daughters of old Cathay. It is no exaggeration to say that this occasion has become nothing short of a fashion show featured principally with Chinese ladies clad in expensive foreign-styled dresses—the cost of which would constitute quite a small fortune to the poor people. The local night club proprietors have looked upon this increase in Chinese patronage with broad smiles, and, in order reap a good harvest, have boosted up their prices on Christmas Eve. But in spite of the fact that a single dinner cost as much as $15.00 per plate in some of the leading night clubs, the late comers were left out in the cold without accommodations, if they did not make reservations with cash many weeks in advance.

Carefree Atmosphere of Crowd

Any one who has ever visited any of the leading night clubs on Christmas Eve is impressed with the carefree atmosphere prevailing among the crowd. The so-called Shanghai "400" turns out en bloc. The Chinese "gents" and ladies in immaculate dresses drink and dance just as gayly as their white neighbors. The white men, possibly influenced by "the spirit of goodwill and friendship," temporarily give up their air of snobbishness and superiority and rub shoulders with the Chinese and drink to the health of each other. The spacious dancing floor is crowded without even a breathing space, and the lavishly decorated hall filled with smoke and foul odor. The whole crowd will not disperse until the wee small hours of the morning, when every one gets nauseated with this monotonous round of drinking and dancing.

In spite of the business depression and political uncertainties, Christmas Eve of 1935 was celebrated just as enthusi stically as in the years before. One of the local foreign dailies carried the following report on Dec. 25: "The celebration last night was the most lively that the city has ever seen since the depression set in. Social Shanghai seemed to have turned out en masse for the occasion and were seen in great numbers at the Cathay, the Park Hotel, the Canidrome and elsewhere. Decorations were lavish generally and nothing was spared to put guests in a happy frame of mind. Special programs were arranged and packed dancing floors were the rule of the evening. Although prices were set up appreciably, many managers found it necessary to use shoe-horns to assist them in wedging in the last minute arrivals."

While wine was freely flowing in the local night clubs, hundreds of Shanghai students, undaunted by inclement weather and personal danger, were making the epochal "protest pilgrimage" towards Nanking. They themselves operated the locomotive, refilled the water tank on the way, removed stone obstacls from their path, pushed away empty covered cars on the tracks, and repaired the torn rails. At a snail's pace, they proceeded as far as Wangting, one station beyond Wusih. They would have continued on their trip to Nanking but for the fact that Bridge No. 168 beyond Wangting on the Nanking-Shanghai line had been destroyed by the military authorities to block their journey.

Whatever may be said against the students for their stubbornness in carrying out their aims regardless of the appeals and persuasion of government officials, college presidents and faculty members, and for their part in disrupting railway traffic for four days, thereby causing great inconvenience to the travelling public, one, however, can not but admire their courage and spirit. It is possibly the first time in the history of the student movement that there has been such a manifestation of genuine patriotic fervor, a fervor which made them completely forget their physical suffering in the heatless and foodless trains for three days and nights. Though it is true that patriotic demonstrations and protests alone will not save the country, yet their noble example will certainly have a stimulating effect upon the general public, who, sad to say, have once again lapsed into lethargy.

The students' movement, it must be said, has played an important role in shaping Chinese history. In 1919, it succeeded in overthrowing the Anfu regime in the old Peiping Government. During the first few months after the Manchurian Affair in 1931, the students throughout the country did much in arousing the national consciousness of the people. As the large majority of our people are illiterate, it is up to the students who can read and write to stir up the inarticulate public and lead popular movements. But because of their youth and inexperience, their judgement and reasoning may be easily influenced by the impulse and enthusiasm of the moment without giving due consideration to the consequence of their hasty acts. In the past, there have been some cases in which the students have been utilized by political malcontents to pull the latter's chestnuts out of the fire, and the otherwise purely patriotic movement has been more often than not looked upon with an eye of suspicion. In their present movement, they must watch their steps carefully, so as to guard against falling into any traps which may be laid by anti-government elements.

Indifference of the Well-to-Do

While we admire the courage and spirit displayed by the young students in their patriotic demonstrations, we, however, can not but lament at the indifferent attitude assumed by those well-to-do Chinese, who were still able to satisfy their lust for pleasure on an occasion which had decidedly no meaning to them. Those Chinese who copied Westerners in celebrating Christmas were mostly young business men, who had just left the portals of their schools. Perhaps, in their school days, they were smitten with the same fire of patriotism as the students are today and also played prominent roles in the past student movements. If they were old graduates, they might have personally witnessed the tragic shooting of students by British police officers on Nanking Road in 1925. If they were fresh from school, they must remember the hectic days right after the fateful night of September 18th, 1931, when they forsook their books and classes and shouted at the top of their voices to the crowds at street-corners, "Let's arm ourselves to defend our Fatherland."

Can it be possible that immediately after embarking upon the business world, they have left their patriotism together with their books, behind in their schools? Is it true that the business worries of these days of depression have been so overwhelming that their fine sense of patriotism has been completely deadened? It must be remembered that patriotism is not a quality which should be possessed by students exclusively and that love for one's own country is not a study which should be taught in school only? One of the causes of China's weakness is the fact that most of our business men have contentedly tucked their hands in their sleeves and watched the national crises nonchalantly. China would not be in such a bad shape as she is in today, if our business men would manifest the same feelings of patriotism as the students have always shown. In this connection, it may be added that if our business men would be really patriotic, Japanese goods would automatically disappear from the markets without the necessity of organizing any boycott movements.

It is hoped that the present students' who have won respect for their genuine patriotism, will turn out to be loyal citizens after their graduation, who will always keep in mind their duty to the country. It is also hoped that during their school days, they will study diligently so as to prepare themselves for the stupendous tasks which are awaiting them in future, and that they will refrain from spending their valuable time in frequenting cabarets—a state of affairs which has been severely criticized by their elders.

Dr. Haas' Love for China—Last Wish Was for Son to Carry on Work

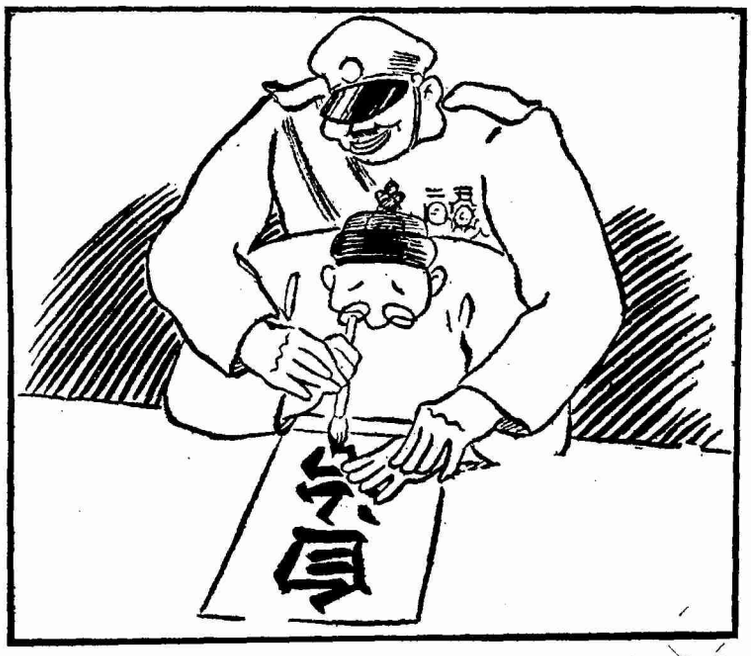
The deep love for China held by the late Dr. Robert Haas, technical liaison officer between the League of Nations and China, was revealed in a letter received by the National Economic Council at Nanking Dec. 22 from Wu Hsiu-feng, Chinese representative attached to the League Secretariat. His last words to his son were that he hoped the latter would come to China when he grew up, in order to assist the country he loved so well in the work he had not been able to complete.

Fuh Tan Students Resolve to Make Public Speeches

At a meeting held Dec. 30 students of the Fuh Tan University decided to form the Fuh Tan Student National Salvation Association and to send speech-makers to the streets of Shanghai beginning from New Year in order to arouse the interest of the public in doing patriotic work. The street propaganda work will be continued for a week, it was decided.

The meeting also decided that the Association be divided into five departments requiring all students to participate in some one of them. A written petition to Dr. Li Deng-hui, President of the University who recently resigned because he was unable to prevent his students from going to Nanking, urging him to remain in office, was also resolved upon.

LESSON IN PENMANSHIP



The above cartoon appearing in the Shanghai "Shun Pao" (reproduced by courtesy of the "*China Press*") gives an artist's conception of the North China "autonomy." The picture depicts a Japanese officer holding the hand of a Chinese gentleman and writing the Chinese characters Tze Chih, meaning "autonomy."

In conjunction with the youths of other schools the Fuh Tan group issued a long statement declaring that although the students did not reach Nanking, they had made the Government and general public realize how serious the national crisis was which was their original aim. The pilgrimage to Nanking was only a means to an end, it was said.

Apparently inspired by the Fuh Tan youths a large group of students in Changchow near Wusih tried to commandeer railway coaches in order to go to Nanking to protest against the autonomy movement in North China, and as a result the 1.20 p.m. train to Nanking from Shanghai was stopped at Changchow for a considerable time. The afternoon and night express trains left Shanghai according to schedule.

Students at Foochow Quiet Down

Following repeated exhortations of the authorities, the students at Foochow have consented to stop their outside school activities and to return to their studies.

Nantung Students Go on Hunger Strike

Students of Nantung University, who attempted to proceed to the Capital to protest against the bogus "autonomy" movement in East Hopei and were frustrated by the police, have gone on a hunger strike. The students of the College of Medicine, Agriculture and Textile Engineering of Nantung University (in eastern Kiangsu) boarded the s.s. *Tahu* on the 25th with a view to proceeding to the Capital. Their ship was, however, detained by the police.

Honan Students Return to Studies

As a result of the persuasions of the official representatives of the Ministry of Education, the students of the Honan Technical College in Chiaotso, who arrived at Hsuchow on the morning of Dec. 26 on their way to Nanking to present a petition to the Central Government in connection with the autonomy movement in North China, left Hsuchow the same afternoon to return to their school.

Shanghai Municipally Promises to Curb Anti-Japanese Demonstrations

Assurances to curb anti-Japanese demonstrations and student activities in the International Settlement were given by Stirling Fessenden, Secretary-General of the Shanghai Municipal Council, to Itaro Ishii, Consul-General of Japan, Dec. 24.

"Izvestia" Comments on the Chinese National Movement

Moscow *Izvestia* Dec. 28 noted that the coming out of the Chinese National Movement into the streets presents a direct answer to the North China events. "Under the present situation the student movement in China becomes an important factor. The central idea of this movement is the United Front within the country and the struggle with the foreign enemy," *Izvestia* said.

Serious Effects in China of Autonomous Movement

"The formation of an autonomous regime in North China backed by the Japanese army is now having serious after effects in China itself," the *Manchester Guardian* declared Dec. 27. After recalling recent events in China which "are tantamount to civil war and which necessitated the proclamation of martial law," the paper concluded by saying:— "It is too late after what had already been done. These demonstrations are none the less significant and may encourage or compel Chiang Kai-shek to resist more openly the next demands of the Japanese army."

Wu Ting-sun, Leading Chinese Tobacco Man, Is Assassinated

Wu Ting-sun, well-known tobacco industrialist and director of the Leaf Tobacco Improvement Association of the Internal Revenue Administration of the Ministry of Finance, Hsuchang, Honan, was assassinated by unknown assaliants at Hsuchang, while he was proceeding to the City Gate, on the evening of Dec. 30.

Educated at the Anglo-Chinese College, Shanghai, Mr. Wu was 58 yesrs of age at the time of his death. He was a Ningpo man. In 1911 he visited America as a representative of the Chinese Chambers of Commerce in Ningpo and Shanghai. He was also connected with the British-American Tobacco Company as its sole Chinese agent some years ago, but for the last 20 years he has had no official standing with the present company. He joined the Ministry of Finance as special commissioner for investigation of the tobacco tariff in 1913. In 1924 he again became interested in tobacco when he joined the Souter Tobacco Company in Shanghai. He was also at the time of his death connected with the Hsuchang Leaf Tobacco Co., a purely Chinese concern.

"Economic Disarmament" Policy Urged by U.S. Assistant Secretary of State

A demand for "economic disarmament" on the ground that armies will move across frontiers if trade does not, was made Dec. 28, by Francis B. Sayre, Assistant Secretary of State, while addressing women members of the Democratic Party in Philadelphia, Dec. 26. Mr. Sayre urged complete equality for all nations in access to the world's colonial markets and described as a myth the idea that colonies were necessary as an outlet for surplus populations. He declared that the support of dense populations without lowering standards of living did not depend on emigtation but on access to markets.

Dr. Hu Shih Urges That Sino-Japanese Documents Be Published

The publication of all Sino-Japanese diplomatic agreements since the Mukden incident was urged by Dr. Hu Shih, the noted Chinese scholar, in an article Dec. 22 in the *Ta Kung Pao*, (Tientsin). The people, he declares, are entitled to know the exact position of their country. Dr. Hu Shih attributes the attempted assassination of Wang Ching-wei and the murder of Tang Yu-jen to misunderstanding, owing to the secrecy surrounding diplomatic proceedings.

American Episcopalians Are Urged to Return to Roman Catholicism

A committee of 29 high Episcopalian churchmen in New York Dec. 26 appealed to the Episcopalians of the nation to re-unite with the Roman Catholic Church. In their appeal, the church dignitaries declared that Protestantism was "bankrupt ethically, culturally, morally and religiously."

New Books of Interest in the Far East

Before and After the Communist Regime in Kiangsi

New Life for Kiangsi. By C. W. H. Young. Shanghai: China Publishing Co., 1935. 196 pages.

Journalistic style though particularly suitable for newspaper articles is rarely successful if carried through an entire book. In Mr. Young's New Life for Kiangsi, the vividness of detail and the spontaneity, which make for journalistic brilliance, become repetitious and harmful to the organization and presentation of the material. This defect is doubtless due to the fact that the greater part of the material was originally in the form of articles published in the North China Daily News late in 1934. The reviewer feels that much might have been gained by treating the material as a unified whole upon a definite plan, and by supplying an index. There is excellent first-hand material, and the fine illustrations of Kiangsi from Mr. Erik Briand-Claussen, agricultural expert of the League of Nations, give additional evidence of the points made by Mr. Young.

Two main threads run through the book. One is the description of Kiangsi under the Communist regime, the other is the change in the province which has come under the reconstruction program of General Chiang Kai-shek. In many respects the book might be considered a eulogy upon the work of Generalissimo and Madame Chiang. A large section deals directly with the Generalissimo himself. A study of General Chiang's career by Walter Hanming Chen, a "portrait" by L. V. Arnoldov, editor of the Shanghai *Zaria*, a section by the author and quotations from addresses by General Chiang himself give sympathetic views of China's outstanding leader. Nor is Madame Chiang's influence minimized. On the contrary one is impressed by the constant assistance which she has rendered through the New Life Movement, the Kiangsi Rural Service Union and other agencies.

Since Mr. Young's trip was was taken at the invitation of General Chiang soon after the National armies had recovered the area from the communists, the narrative abounds in personal observations or in evidence gathered from those living under the soviet regime. There is no lack of evidence that among the Chinese communists there were two groups, the extreme left wing and the more conservative or the "socialist" group. Through all the interviews runs the impression that the "good points" of communism were swamped by misdeeds of the red officials and their troops, and by the failure to carry out their promises. The general destruction, poverty and wretchedness left by the retreating reds was everywhere visible. Although frightful in its implication, this destruction was less terrible than accounts of suffering, death and torture which went on during the communist occupation.

Mr. Young describes the conversion camps for reformed communists in the barracks of Kiukiang, where men and women were being given an elementary education and taught means of livelihood. At the time of his visit more than nine thousand were in the "repentance" camps. Two interesting reformed communists described are the former Field Marshall Kung Woo-chung and General Chang Yi. Their testimony regarding Red Army conditions and supplies may be accepted with some reservation, as may their present conviction that Marxism and Leninism are totally unsuitable to conditions in China. The brief descriptions of such leaders as *Po Kuo*, head of the Soviet-Political Council, and the Generals Chung Ngai-nai and Mao Tseh-tung but give a hint at the interesting material which might have been included.

The great changes in Kiangsi are intimately bound up with the New Life Movement, which is explained by the author in Chapter XIII and General Chiang's article translated by Madame Chiang. The system under which the rural work is being carried on, the development of schools and public health with the help of the National Economic Council shows a broad basis for training the people to work for themselves. There is valuable information regarding the activities of the Pih Tung Tui (Special Movement Force), an efficient politico-military organization which has aided General Chiang in the recovery and rehabilitation of districts occupied by the communist bandits. F.M.R.

A Delightful Book on Modern China

People in China, by Ellen Thorbecke. London: George G. Harrap & Co., Ltd. 1935. Price 15/-. With an introduction by Dr. W.J.R. Thorbecke. 34 plates.

Photographically, China is a paradise. Color and contrast, types and prototypes, calm and excitement, all are to be found everywhere in China.

Mrs. Thorbecke, wife of the former Dutch Minister to China, understood this simple truth. She also understood the value of a good photograph in driving home a point. And she knew how to take photographs.

Selecting 34 pictures, all of which, incidentally, were made with an amateur camera, Mrs. Thorbecke has made a delightful book on modern China. All her pictures are types, usually close-up portraits, and accompanying each picture is a in word-portrait about the subject. Some of the types chosen, for example, are: "The Industrialist," "The Pedlar," "The Pupil of the Sing-Song House," "The Soldier," "The Ultra-Modern Girl," etc.

Dr. Thorbecke has written an excellent introduction to the book. To sum up, as he has, in a few pages, the essential characteristics of China and her people is no easy task. Dr. Thorbecke has done this with understanding and scholarly care. It is unfortunate that Dr. Thorbecke has, in his short sketch, failed to point out clearly some of the events here in 1927, events invariably skipped by Chinese commentators. Aside from this, his comments are a most helpful aid to the book.

One can find little fault with Mrs. Thorbecke's stories accompanying her pictures. One feels, however, that the list is incomplete. For example, there is no "sketch" of a factory worker. There is none of the modern returned student, and of countless other important Chinese types. A few of the sketches included might have been omitted to include the others.

With one exception, the choice and technique of the pictures is excellent. Mrs. Thorbecke's selection of the "ultra-modern" girl will come to a shock to some of us who have met or who know the modern Chinese Miss. And in her picture of the "modern girl," it would have been more tasteful for Mrs. Thorbecke to show the girl in a modern Chinese gown, instead of a portrait, as she has done.

However, this criticism perhaps picks pinholes in an exceedingly fine production. As a gift for someone abroad to better understand China or for the "old China hand" to learn a bit more, the book is highly recommended for the artistry of the photographs and for the uncommonly well done text.

A.B.

Dr. Kagawa's Admission to U.S. Protested by American Coalition

A protest against admittance to the United States of Dr. T. Kagawa, Japanese social worker and author, in spite of the fact that he suffers from trachoma, was made Dec. 25 by John B. Trevor, president of the American Coalition, in a telegram to President Roosevelt. The American Coalition is an association of patriotic societies. "Kagawa is an alien propagandist," declared Mr. Trevor in his telegram, "and is closely allied with groups which are campaigning to undermine national defence in America." Dr. Kagawa was granted special permission to enter the United States by the Secretary of Labor, Miss Frances Perkins, who stipulated, however, that he must be constantly accompanied by a physician or nurse to guard against the danger of contagion.

Court Decree Prevents Japanese Lamp Companies Infringing on G. E. Bulbs

The ninth United States Circuit Court Court in San Francisco Dec. 20 affirmed a decree perpetually restraining Japanese lamp companies from infringement on three patents owned by the General Electric Company for the manufacture of incandescent bulbs.

District Judge in Missouri Threatened After Holding Labor Bill Unconstitutional

Judge Merrill E. Otis, of the United States District Court for western Missouri, who, on Dec. 21, held the Wagner-Connery Labor Disputes Bill unconstitutional, immediately afterwards received a letter threatening him with death.

"Literary Digest" Poll Shows Nearly One Million Opposed to New Deal

Out of 987,158 replies received in the latest poll sponsored by the Literary Digest, 577,631 persons answered in the negative on the question, "Do you approve acts and policies of the New Deal to date?"

U.S. Congressman and Son Convicted of Conspiracy to Sell West Point Post

John H. Hoeppel, Representative from California, and his son, Charles, were convicted Dec. 16 of conspiracy to sell an appointment to the United States Military Academy at West Point.

Electricity Production in U.S.A. Shows Great Increase

For the second successive week the production of electricity in the United States showed a sharp increase during the week ending December 21, the Edison Electric Institute reported.

Louisiana Political Inquiry Is Ordered

J. Mark Wilcox, Democratic Representative from Florida and a member of the special House elections committee, after observing plans for the January 21 Louisiana primary elections, Dec. 30, ordered a thorough investigation of Louisiana politics.

Taxation of K.M.A. Mines Still in Abeyance

J. A. M. Marjoribanks, British vice-consul, who was recently sent to Tangshan to act as an observer in connection with the Kailan Mines, returned to Peiping, Dec. 27. The situation at the mines, in which the British are interested, is stated to be normal, The question of taxation is still in abeyance.

Yin Ju-keng, the head of the autonomous regime in the Demilitarised Zone, recently announced his intention to retain the taxes paid by the mines.

Kweichow-Yunnan Road Nearly Finished

Construction work on the middle section of the Yunnan-Kweichow 250 kilometer highway which links Huangkuoshu with Panhsien is expected to be completed early next February. The total cost of the highway is $910,000, which is being borne jointly by the Central Government and the Kweichow Provincial Government.

Revision of Tariff Reported Postponed for Indefinite Time

Revision of the Chinese import tariff, due to have been announced Jan. 1, has been indefinitely postponed, a special dispatch to the Shanghai *Mainichi* says. The new rates were originally scheduled to be made public and enforced on October 1, but diplomatic demarches taken by Japan and other Powers at the time led to a three-month postponement, the report said. Decision to delay indefinitely the promulgation of the new tariff came as a sequel to the recent interview between Dr. H. H. Kung, Minister of Finance, and Akira Ariyoshi, Japanese Ambassador, the dispatch added.

To Avoid Influenza.

A medical writer, speaking of the after effects of influenza, says—"It is astonishing the number of people who have been crippled in health for years after an attack." Now that influenza is again prevalent, therefore, it is a wise precaution to build up the system, so that it may be ready to protect itself against invasion by this dread disease.

Your best safeguard against influenza is not to allow yourself to become run down. Health and strength are dependent upon a plentiful supply of rich, red blood. Your best ally in sustaining the system in robust health is a tonic capable of creating such blood, and of such tonics there is none better than Dr. Williams' Pink Pills.

The prescription of a British physician, Dr. Williams' Pink Pills have been proved by clinical tests rapidly to increase the number of red blood corpuscles, which, in turn, carry haemoglobin, that substance which conveys oxygen from the lungs and nutriment from the food digested, to all the cells and tissues of the body, thereby building up and revitalizing the whole system.

Build up your health therefore with the world famous tonic, Dr. Williams' Pink Pills; they will surely do you good. Obtainable from chemists everywhere.

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Your work should bear our imprint

The National City Bank of New York, Rates of Exchange

Shanghai, December 30, 1935

Demand selling rate on America:	U.S.$1.00=Sh. $ 3.38
Demand buying rate on America:	U.S.$1.00=Sh. $ 3.33
Demand selling rate on London:	£1.0.0=Sh. $16.69
Demand buying rate on London:	£1.0.0=Sh. $16 44

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THE PEIPING CHRONICLE

2, Mei Cha Hutung, Peiping, China

Teleg. Address: "Chronicle"

75-205

China's Customs Revenue Showed Drop in 1935

The Ministry of Finance authorizes publication of the following statement concerning the Customs Revenue Collection for the Year 1935:—

The Customs Revenue for 1935, composed of Import and Export Duties, Interport Duty and Interport Surtax, Tonnage Dues, Flood Relief Surtax and Revenue Surtax, amounted to $315,519,712.03, as compared with $334,645,408.55 for 1934.

The contributions made by each category of duty towards this total, as well as the corresponding figures for 1934, are show below:—

1935

Import Duty:	C.G.U.	137,653,303.43
Export Duty:	$	20,731,524.44
Interport Duty and Interport Surtax: ...	$	13,207,545.14
Tonnage Dues:	$	4,320,600.82
Flood Relief Surtax:		
On Import Duty: ...	C.G.U.	6,872,319.30
On Export Duty:	$	1,094,008.01
Revenue Surtax:		
On Import Duty:	C.G.U.	6,860,571.41

1934

On Export Duty:	$	1,093,742.87
Import Duty:	C.G.U.	132,673,387.46
Export Duty	$	24,700,809.52
Interport Duty and Interport Surtax: ...	$	16,968,189.61
Tonnage Dues:	$	4,302,032.64
Flood Relief Surtax:		
On Import Duty: ...	C.G.U.	6,620,498.53
On Export Duty:		
On Export Duty:	$	1,235,780.74
Revenue Surtax:		
On Import Duty: ...	C.G.U.	6,608,151.58
On Export Duty:	$	1,235,602.44

Of the total Import Duty collection of C.G.U. 137,553,303.43; 67 per cent was collected in actual gold unit drafts or notes. The balance was collected in local currency according to exchange rates ruling on the date of payment of duty.

The total collections made at each of the principal revenue producing ports during the year 1935, also the amount of the increase or decrease which these totals represent as compared with the collection for 1934, are as follows:—

Port	*Collection* 1935
Chinwangtao	$ 1,428,311.59
Tientsin	$ 41,064,033.25
Chefoo (including Lungkow and Weihaiwei)	$ 5,407,420.37
Tsingtao	$ 22,313,254.54
Hankow	$ 22,396,228.46
Shanghai	$149,127,439.27
Amoy	$ 6,005,910.53
Swatow	$ 4,760,905.79
Kowloon	$ 7,340,729.82
Canton	$ 9,616,502.69

Port	*Increase over* 1934	*Decrease*
Chinwangtao		$ 331,152.39
Tientsin		74,667.03
Chefoo (including Lungkow and Weihaiwei) ...		6,791.39
Tsingtao	$2,164,570.29	
Hankow	$3,030,678.12	
Shanghai		26,326,034.86
Amoy	$498,454.08	
Swatow		$1,032,800.34
Kowloon		$7,346,729.82
Canton	$1,603,400.19	

Foreign Loans

The Service (1) of the Anglo-German Loan of 1898, (2) of the Boxer Indemnity obligations, and (3) of the 1913 Reorganization Loan has been met in full from the Customs Revenue during the year at total cost of $66,400,988.31, as compared with $75,414,347.81 expended on foreign loan and indemnity account during the previous year.

The service (amortization and interest) of the American Wheat and Flour Loan of 1931 and Cotton and Wheat Loan of 1933 has been met in full from the collection of Flood Relief Surtax, at a total cost of $12,674,995.13.

Internal Loans

In accordance with the terms of the Government's Mandate of February 24, 1932, relative to internal loans, the sum of $8,600,000 has been paid monthly to the account of the National Loans Sinking Fund Administrative Commission to cover amortization and interest charges of the internal consolidated debt secured on the Customs Revenue. In addition, funds for the service (interest and amortization) of the 22nd year (1933) and 23rd year (1934) Customs Treasury Note Issues and of the 23rd Year (1934) Customs Revenue Loan and 24th Year (1935) Currency Loan have been provided from Customs Revenue, at a total cost of $34,127,500.00.

Manchurian Ports

It should be noted that subsequent to the seizure in mid-1932 of the Customs establishments at the Manchuria ports, no quota has been made available to the Government from that region, or from Dairen, towards the payment of the various loan and indemnity obligations secured on the Customs Revenue.

"Let the Philippines Defend Their Own Independence"

John J. McSwain, chairman of the House of Representatives Military Affairs Committee, expressed the opinion Dec. 30 that sufficient legislation had already been enacted to carry out the building programme of the United States Army, but he indicated that every effort will be made to provide funds and facilities to make the legislation effective.

The South Carolina Representative called attention to the fact that the Wilcox Air Base Bill had been passed at the last session of Congress and now needs only the necessary appropriations to enforce it.

Questioned regarding the fortification of the Aleutian Islands if the London Naval Conference failed to achieve an agreement, Mr McSwain said that the Wilcox Bill's provisions were sufficiently broad so as to permit the establishment of an air-base there.

The Army and Navy are most interested in strengthening their bases in Hawaii and Alaska, Mr. McSwain said, adding that he planned to push his own bill creating a voluntary junior air corps reserve, composed of college students. This corps would establish a group of reservists fully trained in all phases of aeronautics and, Mr. McSwain estimated, would give to United States a potential force of 20,000 military pilots in the event of a national emergency.

The Military Affairs chairman deplored the provision for a transition period in the affairs of the Philippine Islands. "The Commonwealth," he declared, "merely gives the Filipinos ten years in which to drag the United States into trouble with foreign nations. We should cut the Philippines loose immediately. I certainly would oppose to the utmost sending any American boy 8,000 miles away to fight for the defence of any Philippine Government. The Islands wanted independence," he concluded, "Now, let them defend that independence themselves."

Sino-Japanese Negotiations in Nanking

Commenting on the report that a Sino-Japanese National Readjustment Committee will be formed in the near future to open negotiations in Nanking for the solution of the Sino-Japanese problems, the Shanghai *Chen Pao* said:

"The responsibility for the improvement of Sino-Japanese relations lies in Japanese hands, because the present strained relations between the two countries is but a result of the traditional mistaken foreign policy of Japan and the Japanese aggression since the Muken incident of 1931. Therefore the first point, which may be considered the absolute prerequisite for any improvement of the Sino-Japanese relations, is the sincerity of the Japanese."

Has Your Child A Healthy Appetite?

The appetite is a very good indication of a child's state of health. When a child lacks appetite he is generally sleepy and inattentive during school hours and at playtime easily tired, lacking the enthusiasm and enjoyment evident in other children.

How to remedy such a state of affairs is the problem which confronts many parents. To tempt the child with delicacies, or to threaten dire penalties if he does not eat what is put before him, is only to aggravate his condition. The wise plan is to seek the cause of his loss of appetite.

Most probably the trouble lies in congestion of the intestinal tract. Constipation makes a child drowsy, lacking in energy, disinclined for work or play, peevish and irritable and a source of annoyance to all around him.

The best and surest way to restore normal functioning is to give Baby's Own Tablets; children like their pleasant taste, and they are just what is needed to cleanse the intestines and restore health and happiness.

Originated by a medical child specialist, Baby's Own Tablets are ideal for the correction of the minor health troubles of the young, such as infantile indigestion, constipation, upset-stomach, diarrhoea, colds and croup, worms, simple fever, and are of great help in easing the pains of teething. From chemists everywhere you can obtain Baby's Own Tablets.